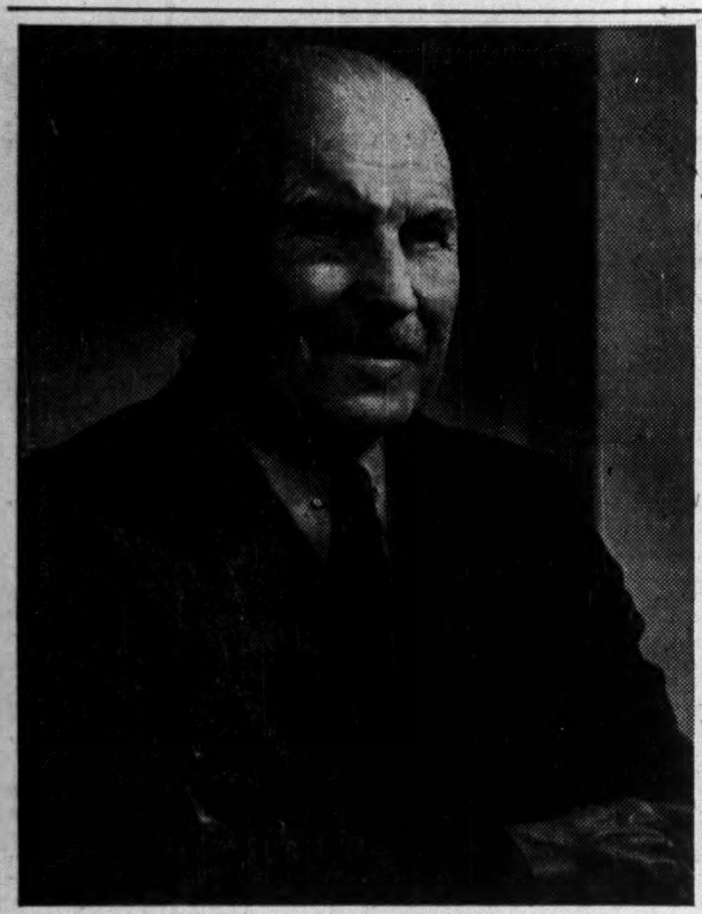
The Financial Post

The Canadian Newspaper for Businessmen and Investors

Vol. XLII | Member of Audit Bureau of Circulations | Publication Office: Toronto, December 11, 1948 | Fifteen Cents an Issue, Five Dollars a Year | No. 50

Civil Defense Planner



—Photo by Karsh.

Major-General F. F. (Fighting Frank) Worthington, recently appointed co-ordinator of civil defense planning, faces the tremendous task of drafting the steps, through all levels of government and in public organizations by which Canadian civilians can be mobilized speedily in any emergency. (Personality sketch on page 6.)

THE NATION'S BUSINESS

Tariff Board Dormant While Big Job Waits

Never in all history was it more important to star building up our foreign trade. Yet a major key in that rebuilding, the Canadian Tariff Board, remains practically nonexistent.

Reorganization of the Board, originally delayed by the outbreak of war in 1939, has been repeatedly postponed ever since the ending of hostilities over three years ago.

A highly competent chairman still has no associctes. There is no active body functioning at Ottawa with which business and other interests, vitally concerned with foreign trade, can co-operate. Finance Minister Abbott, under whom a tariff board must operate, should remedy this matter without delay. Long before this, the necessary additional members to the Board should have been appointed.

In the meantime, cases are piling up at Ottawa and no hearing can be held. This is particularly serious since the Customs Act was amended during the year and puts the onus fo: decision on the Tariff Board.

As reported elsewhere in this issue, our foreign trade, aside from a most gratifying increase in exports to the United States, presents an alarming picture. Even to the United Kingdom and other countries temporarily subsidized by Washington's ERP, our exports are slipping. To the others the decline from a year ago has been drastic. An alert and fully functioning Tariff Board could be of material assistance in correcting this situation. It should be able to furnish invaluable advice to Parliament regarding desirable tariff adjustment by ourselves and our customers.

• • •

U. S. Barriers Still Too High

And with the United States, too, a new move in further elimination of trade barriers is essential. There has been a decline in the average U. S. tariff level on dutiable goods from 53.2% in 1930 (Hawley-Smoot) to 15.3% when the Geneva Agreements came into force at the beginning of this year. This, the U. S. Chamber of Commerce contends, makes "the United States one of the lower-tariff countries of the world." But there is still ample room for further improvement.

Not only do present U. S. tariffs make it impossible for full processing here of goods of Canadian origin which the United States must buy—fine papers and metals are two outstanding examples—but invisible tariff measures, such as quotas, quarantines, exaggerated valuations and plain red tape, present an unnecessary but most effective barrier.

Until we reach the point on this continent where industry is located most economically in relation to sources of raw materials and power, and regardless of political boundaries, we cannot hope to achieve our maximum in North American production or strength.

• • •

Need Best Men for Seaway Job

There are disturbing reports from Ottawa that two Canadian vacancies on the International Joint Commission are going to be awarded on a patronage basis to two Liberal party wheelhorses.

This is no time for turning the IJC into a resting place for party faithful.

It now seems that the IJC is on the point of undertaking one of the most important and difficult tasks of its career: the St. Lawrence Seaway project.

President Truman, ever since taking office first in 1945 has been urging a start on the combined St. Lawrence seaway and power project. He several times reiterated that policy during his recent election campaign.

The Canadian Government now, too, is pushing the project as part of the continental defense program.

In both countries, some of the interests which have in the past violently opposed the development have been changing or reversing their point of view.

And, of course, the Seaway is very important, probably indispensable to full exploitation of Labrador iron.

This whole subject has come to a boil so often — and has so often cooled off — that we may all be forgiven our scepticism about it going through until the bulldozers actually start rolling. But all the evidence today suggests that the subject is now hotter than ever; that this time concrete results may be achieved.

In anticipation of the great and thorny labors soon to be thrust on the International Joint Commission, the Americans have recently filled two of their vacancies by appointing two outstanding engineers.

But now rumored to be getting the two Canadian vacancies are Hon. J. Allison Glen and Hon. Ernest Bertrand. Both are most estimable citizens, but there is nothing in the experience of either of them to suggest that they are apt recruits for a team battling with major league engineering and diplomatic problems.

It is true that Mr. Glen relinquished his seat and his portfolio to permit Stuart Garson to enter the Cabinet. But it is also true that Mr. Glen is 71 and in poor health. For months on end he was away from his job at Mines and Resources.

Nothing could be more unfortunate than for Prime Minister St. Laurent to start his regime with inauspicious appointments of this kind. Nothing could be more unfortunate for Canada than a reborn IJC that is not the strongest and most expert that Canada can muster.

Where Does Canada Stand If Reds Win in China?

Cabinet Expected To Consider Crisis Soon; Here's How Trade, Diplomatic Relations, Military Supplies, Loans May Be Affected

OTTAWA (Staff) — The crisis in China is expected to get cabinet attention within the next few days but any decision as to overall plans on the many matters of concern for Canada in that direction will almost certainly depend on what action U. S. may take, which way U. S. policy goes.

It's generally agreed here that in present circumstances the life of the Chiang Government is at stake; whether it can be saved by further U. S. aid (amounting to $2.5 billions so far) is another matter. In any case it is felt that the Chiang government will eventually be replaced by a Popular Front Government.

So far chief immediate concern of Canada in the crisis has been the protection of Canadian life and property. When and if overall implications are brought into sharp focus the following considerations will be foremost:

Economic: Chief problem for decision in the event of a Popular Front Government being formed would be this: Can or should it be "quarantined?" The answer might take months or years to materialize especially if U. K. or U. S. policy should turn out to be different. Meanwhile trade channels might come under scrutiny but not blockade by Ottawa.

Currently balance of opinion seems to hold to the belief that trade and commercial relations should be geared to surmount present difficulties rather than to avoid or write off this market to which we sold last year merchandise worth $37.4 millions (eleventh among our customers).

It's pointed out that for most of the past few decades trading in China has been rather like trading on the edge of a volcano —there is, therefore, a long history of resiliency to shock and crisis and the problem of shrewd traders has always been to survive each crisis rather than get out of the country. Too, we have enjoyed cordial relations with the Chinese.

On this basis, long-term prospects for development are still looked on as satisfactory even though a Popular Front government does come to power.

Dollar Loans: Total Canadian credits of $60 millions, plus $12¾

(Continued on page 3, col. 5)

Manitoba Vetoes 'Peg Plan To Serve as Hydro Agent

From Our Own Correspondent

WINNIPEG — The Manitoba Government has rejected a proposal submitted by the City of Winnipeg as an alternative to the recommendations of Dr. T. H. Hogg in his report last March on the hydro-electric power situation in the province. Negotiations between the city and province are still going on, in hope of an agreement on some other alternative.

Dr. Hogg, in his original report, proposed complete reorganization of the power industry by creation of a provincial agency with the sole responsibility for development and operation of all power sites in the province and a municipal or intermunicipal agency with sole responsibility for distribution of power in Greater Winnipeg and operation of the Greater Winnipeg transit system.

The Government announced it would accept this recommendation or "some suitable alternative" as the basis of its power policy. Soon after the legislative session it opened negotiations with the city to put them into effect.

Veto City's Alternative

The city submitted an alternative proposal, the two main parts of which were that it retain ownership of its Pointe du Bois and Slave Falls plants on the Winnipeg River on the basis it now holds them; and that its own hydro-electric system be constituted the agency for operation and maintenance of its two plants and also of all other plants and main transmission lines acquired or to be built by the province for supply of power in bulk in areas now served by the city of Winnipeg, the Winnipeg Electric Co. and the provincially owned Manitoba Power Commission.

The second part of the proposal was not satisfactory to the Government. Before advising the city

(Continued on page 2, col. 6)

Shipping Prospects Brightened By New ECA Policy

OTTAWA — (Staff)—Canadian shipping got a useful Christmas gift this week — with the news that the ECA administration at Washington would abandon, Jan. 1, for bulk cargoes the policy of insisting that half of all ECA cargoes be carried in U. S. ships.

This covers such cargoes as wheat grains etc., U. S. charges for which are higher than ours. The limitation continues on machinery, vehicles and package freight.

To date $300 millions of ECA funds have been spent on ocean freight but little or none has come to Canada. It's thought here that the new policy will considerably improve prospects for Canadian shipping in this direction in 1949.

PRICES

Cost of living, after a relentless 21-month upward surge, rested during October.

On Nov. 1, the DBS index (1935-39=100) hadn't budged from its Oct. 1 position at 159.6. But it was still 16 points over the total a year ago and 53.8% in advance of the figure for August, 1939.

Food prices had done the trick. Falling meat and vegetable prices dropped the food index from 205.4 to 204.7.

But other categories were still moving up: Fuel and light advanced from 128.8 to 129.0; clothing jumped a half point to 181.5; homefurnishings and services took a monthly increase of 0.9 to 166.0; and miscellaneous moved up from 124.4 to 124.6. Rents remained unchanged at 121.0.

Was this an indication of a falling off of consumer prices? At this early stage it didn't look very likely.

The rent index of Dec. 1 would reflect recent rent boosts for the first time. Wholesale prices were still swinging upward on many commodities; many had yet to be reflected at the retail level. Recent metal price boosts were bound to take a bigger toll from the consumer pocket. Automobile prices weren't likely to go anywhere but up for a while. And beef may be ready for another boost in the spring.

But on the other side of the ledger, bumper crops have taken the edge off many food prices. Already corn products and some canned goods have dipped. Potatoes are being quoted lower. And summer vegetables had reduced price tags.

To date the rising group look stronger; the second only readjustment. So long as present heavy demand for steel and nonferrous metals is maintained, plus

(Continued on page 2, col. 5)

To Ask Firms Report Unspent Quota in U. S.

May Be Allowed to Carry Dollar Quota Into 1949 New Allotment Permits

OTTAWA—Starting this week, allotment permits to nearly 4,000 Canadian firms for their 1949 U.S. dollar exchange under Schedule III will be put in the mails.

The general principle is to provide U. S. dollar exchange equal in amount to that which was alloted in 1948.

In the case of unspent 1948 allocations, firms are asked to return to the control authorities at Ottawa a claim form seeking to carry these amounts over into 1949. As a general rule this will be done. But firms are being asked to give details of work done during 1948 to conserve exchange or indicate other reasons as to why the monies were unexpendable.

One aim is to give credit where a successful attempt has been made to conserve dollars. Another is to ascertain whether the firm has altered its program for 1949 in such a way that it will not require the amounts originally asked for.

Allotment permits do not apply to firms which were given an individual, non-recurring allowance of U.S. dollars. They apply only to firms which have a continuing need of U.S. dollars to purchase materials, parts, etc., for their day-to-day operation. Firms which made individual applications for capital equipment, etc., merely make a fresh application when they use up their original permit.

Pulp and Paper Machinery Canada-Made, Vickers Plan

MONTREAL (Staff) — Further diversification in Canadian Vickers production is indicated in an announcement this week. Vice-president and General Manager T. R. McLagan states that the company has entered into an agreement with the Sandy Hill Iron & Brass Works, Hudson Falls, New York, for manufacture of pulp and paper machinery in Canada.

It is stated that Canadian Vickers will have access to the patents, designs and engineering experience of the Sandy Hill Co. It is expected that additional equipment will be required to handle some phases of the new production. Generally speaking, however, existing plant facilities are said adequate and adaptable to the manufacture of pulp and paper machinery.

Products of the Sandy Hill Co. are news, tissue, and general purpose paper and board machines, wet machines, mechanical drives, packer and centrifugal screens, stuff pumps, etc.

Save U. S. Dollars

With a new Canadian manufacturer of pulp and paper machines in the field, it is expected that additional important savings in U. S. dollars will be effected, since pulp and paper producers can now obtain many of the essential units in this country.

Mr. McLagan told The Financial Post that company policy in general had a two-fold aim: (a) greater diversification in production (b) increase in U. S. dollar earnings.

He pointed out that Canadian Vickers was originally formed as a naval construction yard, but that it has since spread out into many other lines of production. Ship construction, however, still forms an important part of the company's output. Since the end of the war Canadian Vickers has

(Continued on page 3, col. 4)

Installment Buying Down But More Shop on Credit

Are Canadians getting back to a prewar pattern of buying on the cuff? DBS has been taking a survey and the detailed results reveal:

While this year they were saying "charge it" more often than in the early war years, they weren't doing so much installment buying—and the upward trend of credit buying in all forms evident between 1945 and 1947 this year showed signs of leveling off.

The figures:

Charge account sales accounted for 18% of all sales in 10 retail trade classifications in 1941; for the first half of this year the proportion was 25%, the figure reached in 1945 when the war ended.

Installment sales accounted for 21.7% of all sales in 1941; 13.8% for the first half of 1948.

Cash sales averaged 60.2% of all sales in 1941; 60.5% in the first half of 1948.

A breakdown of installment buying statistics shows dealers in furniture, household appliances and radios, and jewelry to have made the biggest jumps in cuff selling in the postwar period. Here are the details:

Furniture: Installment sales accounted for 63.9% of all furniture sales in 1941. The figure for 1945 (last half) was 37.2%; for the first half this year, 45.7%.

Household appliances, radios: Sales were 42.1% by installments in 1941; 11.9% in 1945 (last half); 31.3% this year.

Jewelry: Installment sales in 1941 came to 24.1%; in 1945 (last half) were down to 10.9%; for the first half of 1948 up to 20.2%.

In other fields the postwar increase was more gradual. Department stores this year (first half) made 20.0% of all sales on the installment plan as against 14.5% in 1945 (last half) and 14.0% in 1941.

Neither men nor women were buying as much clothing by installments as in 1941.

Here is a table showing the trend in all departments.

Ratio of Installment Sales to Total Sales

Type of Store:	1941 Av.	1945 ■	1947	1948 ♦
Department	14.0	14.5	18.4	20.0
Men's clothing	5.0	0.3	1.1	1.9
Women's clothing	7.7	3.2	2.8	3.1
Family clothing	17.6	6.5	9.3	10.6
Furriers	47.2	38.5	41.6	32.7
Appliances, radios	42.1	11.9	26.8	31.3
Furniture	63.9	37.2	43.6	45.7
Hardware	4.8	1.0	1.4	2.5
Jewelry	24.1	10.9	22.2	20.2
Motor vehicles	35.5	5.0	13.5	15.8
Combined	21.7	7.9	12.8	13.8

■(July-Dec.). ♦(Jan.-June).

TLC Facing Showdown on Communists May Get AFL Ultimatum to Oust Reds

By RONALD WILLIAMS

The field day the Communists have been enjoying in the old, traditionally conservative Trades and Labor Congress of Canada seems to be drawing to a close.

Next month, under waving palm trees in sunny Florida, the Communist issue will likely be settled one way or the other.

In Miami, the Executive Council of the American Federation of Labor, godfather of the TLC, will try to straighten out its erring godson.

Both TLC factions—President Percy Bengough for the standpatters who oppose the anti-Red campaign and Frank Hall, the anti-Communist leader, have been invited to present their cases before the AFL Executive.

Out of this could come another Canadian labor congress made up of "clean" AFL unions headed by Hall.

This would strip the TLC of three-quarters of its 400,000 members, leaving it with the national unions and Communist AFL groups. It would be a mere shell of its present size.

New Anti-Communist Bloc

The anti-Communists, determined to resist any compromise, laid the foundation for the new congress, if and when it becomes necessary, in Montreal last week. There 32 AFL unions, representing close to 200,000 unionists held a three-day session. Out of it came an official anti-Communist bloc within the TLC, named: "The Canadian Association of International Union Representatives."

Besides being footings for a new labor building, if it has to be built, the anti-Communist faction had another objective: to make it clear to the public that there is substantial opposition to the TLC's official policy of collaboration with the Reds.

Hall's movement stems from the violence-ridden strike of the Communist-run Seamen's Union on the Great Lakes. But it has deeper roots than that. Hall feels that the TCL, as the oldest, most responsible of Canada's labor groups, rather than the rival CIO-CCL, should have been leading the fight against the Communists.

While adhering to the traditional AFL policy of "no-politics," Hall and his group insist this principle cannot be applied to the Communists. He says they are not a political force, but a revolutionary movement aimed at overthrowing our social structure. As such, their interests are inimical to those of sound trade unionism.

AFL Backs Hall?

Bengough and his middle-of-the roaders go along with Hall on the "no-politics" theory. But they apply it to the Communists as well, on the grounds that the only thing a union should be interested in is whether a man is a good trade unionist or not.

On this issue, the AFL stands with Hall. AFL President William Green has said: "We won't have any Communism in the AFL." In view of the AFL's forthright

(Continued on page 3, col. 4)

Survey of Mines Now Available

Increased Mining Activity Reflected in Latest Edition of Post Survey

Significant material which enables investors to make quick appraisals of individual mines is a feature of the 1949 edition of The Financial Post Survey of Mines, just off the press.

Recognized as the most comprehensive work in its field, the Survey reviews a larger number of companies than ever before in its 23-year history, giving complete details on all active mining companies across the Dominion and reports on thousands of less active companies.

The company reviews include production, earnings, dividends, ore reserves, names of directors and significant developments minewise.

Also included in the 396-page volume is information on foreign mining companies in which Canadians are interested, maps of Canada's 36 leading mining areas, and other data.

The Financial Post Survey of Mines, 1949 edition, is available from Maclean-Hunter Publishing Company Limited, 481 University Ave., Toronto. Price remains unchanged at $2.

Banned U.S. Goods To Come on Quota?

Early Announcement of Import Control Changes Expected from Ottawa—Little Change Foreseen in Capital Goods Group

By KENNETH R. WILSON

OTTAWA (Staff) — Within a few days, the Government may be expected to announce an important list of relaxations under its dollar conservation program.

The changes will be effective Jan. 1.

They will affect only consumer-type goods covered in schedules I and II.

There will be change in the capital goods group (Schedule III).

Most important changes for Jan. 1 will be the transfer of goods now on the banned list to a quota basis. The entire list of changes will be of some considerable length. But its over-all dollar value will not be as impressive as the length would suggest.

Reason for this is that the major changes in the Canadian dollar-conservation program, so far as consumer goods are concerned, will not come until April 1 or July 1. The Jan. 1 changes will be "on the conservative side." More drastic changes will await further confirmation that the present satisfactory accumulation of U. S. dollar and gold reserves will continue in 1949.

What's Ahead in Controls

Basic thinking at Ottawa about changes in Schedule III (iron and steel, capital goods, machinery, etc.) is that that there will be little if any change in the present pattern of control for some considerable time.

It is thought likely here that Parliament, when it meets early in the year, will be presented with a new proposition: namely, that most, if not all, of this type of control must continue for perhaps several years.

This control will be predicated not on the original basis of scarcity of foreign exchange, but on the new and continuing basis of a world-wide shortage of iron and steel.

This would mean that a completely new approach would have to be made. Out of this would emerge a new schedule of import controls grouping together raw materials, parts and finished goods which are largely or entirely iron and steel.

Parliament would be asked to confirm continuance of these for a further period, as essential to co-ordination of North American supplies of scarce iron and steel items.

How Much Can We Spend?

First criterion in estimating possible relaxations for 1949 in imports of consumer goods, is the amount of U. S. dollars now being saved and the amount that Canada estimates she can afford to now spend.

In the first nine months of 1948, The Financial Post is informed that dollar savings in Schedules I and II are running at the rate of $22 millions a month or about $250 millions a year. Against this, the relaxation for fruits and vegetables announced earlier this year will "cost," in U. S. dollars, about $2 millions a month or between $20 and $25 millions annually.

The "mathematics" of this compilation is roughly this:

1. In the first nine months of 1948, imports from hard currency countries of goods on the "prohibited" list (Schedule I) were lower by $91 millions than in the same period in 1947.

2. In the same period, imports of "Quota" goods (Schedule II) from hard currency countries, were less by $104 millions than in the same period in 1947.

This suggests an apparent "saving" during the period of about $195 millions or approximately $250 millions in a full year.

Thus the first problem facing the Government will be the

(Continued on page 3, col. 3)

Inside News

Drummondville Booming

What makes a city grow? Take Drummondville, Quebec; between 1931 and 1941, the Eastern Townships city increased its population 230%; in the last seven years it has jumped another 46%, to 31,500. Its output of goods and services this year is estimated at $40 millions, netting more than $13 millions in wages and salaries, to 9,000-odd workers. Read The Financial Post's analysis of the factors behind this phenomenal growth (p. 17).

Score on Civil Defense

What's being planned for Canada in civil defense preparedness? What are the problems, how will the organization be set up? Major-Gen. F. F. Worthington, newly appointed co-ordinator of civil defense planning, lifts the curtain on some of the plans for which his organization is responsible (p. 11).

Longer Civic Terms?

Longer or shorter terms for mayors and aldermen — which make for greater efficiency and economy in municipal administration? Financial Post readers discuss the question pro and con; give a majority for staggered two-year or three-year terms (p. 8).

Farmers Paying Taxes?

Are Canadian farmers paying their fair share of income tax? Statistics raise some doubt as to this; but an economist points out the other side of the picture; contends that the only fair comparison is between farmers and others who are in business for themselves; and that the farmer can't be expected to pay income tax, when he must take controlled prices for his goods (p. 13).

Learn to 'Hasten Slowly'

Your new business may start off with a spurt; but don't expect it to continue at that pace; you will soon have to meet the direct competition of older-established firms. Make sure your earlier gains are consolidated, before reaching out for more. When volume begins to flatten out, financing costs need hawk-like attention. Article 12 in The Financial Post's series "How to Make Your Business Grow" (p. 7).

Among Favored Stocks

What characteristics make a stock a sound investment? Leading Canadian brokerage and investment houses recently picked for The Financial Post, the stocks which they considered best to hold for reasons of security and capital appreciation, over the next three years. The Post this week analyzes the position of another of the 20 "bests" (p. 18).

Advertising Business 2
Banking News 25
Industrial Growth 21
Insurance News 22
Labor Roundup 12
Mine Development 30
Provincial Roundup 26
What's New in Business 19
You Asked Us 19

Pace of Business

At early midweek the TSE western oil index was off 5.33 points from last week's 11-year high. The reaction was mainly of a technical nature. All other Canadian stock groups moved in a narrow range despite modest improvement in most U. S. industrial groups.

Department store sales rose 23% in October to $82,346,000 ($66,866,000 in October of 1947), DBS reports. During first 10 months, sales aggregated $605,198,000 (14% over $532,107,000 in same period last year).

Canadian railways reported highest operating revenues in history during September of $79,482,000 (20.2% over September, 1947's $66,136,000). Operating expenses totaled $69,583,000 (up 17.5% over $59,100,000 in September, 1947).

Creamery butter stocks in nine Canadian cities on Dec. 1 amounted to 27,706,000 lb. (32,966,000 on Nov. 1 and 40,128,000 on Dec. 1, 1947). December stocks this year include 2,660,000 lb. of imported butter.

Carloadings on Canadian railways during the week ended Nov. 27 totaled 85,320 cars (86,961 the previous week and 85,522 in corresponding week of 1947). Cumulative loadings for 48 weeks ended Nov. 27 amounted to 1,762,107 cars (1,772,288 in 1947 and 1,659,176 in 1946).

Cheques cashed against individual accounts in October totaled $7,653,589,000 (up 6.2% over October 1947's $7,208,951,000), DBS reports. The 10-month aggregate was $64,865,374,000 (up 6.5% over $60,913,966,000 in same period last year).

New primary copper and nickel output continued above last year's level in September. Copper production: 19,688 tons (18,218 in August and 17,478 in September, 1947). Nickel: 9,841 tons (9,003 in August and 7,610 in September last year).

Creamery butter production in October was 23,985,000 lb. (down 11% from 27,058,000 in October last year). Estimated dairy butter make was 5,174,000 lb. (up 17%).

Canadian wheat stocks in store or in transit in North America at midnight on Nov. 25 amounted to 180,142,000 bus. (up 31,944,000 bus. from last year's corresponding figure). Deliveries from Prairie farms totaled 4,413,000 bus. (3,681,000 in same week last year).

EATON'S

Give Him
SOMETHING TO WEAR!

. . . . . something that's both useful and smart! . . . . . something he'll remember long after! Choose from huge Christmas selections of men's clothing and accessories . . . . . counters piled high with masculine apparel . . . . . selected where he likes to shop . . . . . at

EATON'S

More Boxcars For Goods But What About Snowfall?

BY HOWARD GAMBLE

MONTREAL (Staff) — New boxcars—about 3,700 of them—are rolling along Canadian rails this year and are expected to relieve what has been a chronic boxcar shortage ever since the start of the war. Railroad men warn, however, that there is likely to be a shortage in some areas again before the winter is over.

According to latest estimates, Canadian National and Canadian Pacific now have approximately 138,000 boxcars, compared with slightly more than 134,000 at the beginning of the year.

Canadian National says it has received nearly 5,000 new cars so far this year and has retired about 450. Canadian Pacific has retired more than it has received—955 new to 1,703 retired. Canadian National has 4,115 still undelivered and Canadian Pacific 1,500.

So far the only loud complaints about boxcar shortages have come from pulpwood exporters in the Great Lakes region and in the Maritimes. This, however, was due largely to the yearly drain on cars for handling grain shipments.

More important over the coming months is the boxcar drain to United States. It is said that the adverse boxcar balance between Canada and U.S. may reach as high as 100 cars in some weeks. Generally, however, the Canadian position is equalized by the fact that the movement of open top hopper cars favors Canada.

In forecasting boxcar availability, railroad men point out that the constant imponderable is weather. Heavy snowfalls invariably slow traffic all along the line. This applies to boxcar returns from United States as well as turn-around time at destinations in Canada.

Both railroads also report new additions to other freight rolling stock. Canadian National has received delivery of 700 flat, coal, refrigerator and other types of cars. Canadian Pacific recently reported that it had received 313 70-ton drop bottom gondola cars, bringing to 484 the number received on an order for 500. Also it placed an order for 500 50-ton steel-sheathed wood-lined boxcars, with National Steel Car Co.

Canadian National is currently experimenting with a new-type boxcar for package and box goods, for LCL shipments. Plan is to divide the boxcar into seven sections by means of removable bulkheads. It is believed that this may help to reduce damage to goods and also increase the capacity of cars for LCL work.

Also on the books is greater use of pallets and fork lift trucks in handling equipment at depots. Greater use of this equipment, however, is largely up to the shipper since goods must be packeded on pallets before the lift trucks are effective.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

Harold F. Stanfield Ltd. (Toronto) appointed by The Irish Linen Guild of Belfast, Ireland, to direct all Canadian advertising for 1949. This advertising was formerly placed in Canada by a New York agency. Plans, now in development stage, are for a campaign of much wider scope to be launched in March, 1949. Media under consideration are national magazines (both English and French), class publications, and trade advertising. Point-of-sale advertising will include broadsides and display material. Motion pictures may be used for consumer audiences as well as for sales training purposes.

* * *

J. J. Gibbons Ltd.'s branch offices have been keeping check on temperature forecasts to synchronize release of its Goodyear "Factory-Fresh" Battery campaign with first freezing temperatures in each locality. Daily newspapers on the schedule received material well in advance with instructions to "hold ready for insertion" on instructions of nearest Gibbons branch. Release dates varied as much as 16 days; balance of campaign was then supplied direct to papers from Toronto office. Ads feature cartoon illustrations of cold-weather situations caused by battery failure.

* * *

Harry E. Foster Agencies Ltd. (Toronto and Montreal) appointed by Orange Crush Ltd., effective immediately. Now under consideration are merchandizing and promotion plans, on both national and regional basis, for Orange Crush, Kik, Gurd's Ginger Ale, Hires Root Beer, and America Dry Ginger Ale.

* * *

Walsh Advertising Co. (Toronto) is using smaller space, but greater frequency, in pre-Christmas insertions for Post Office Department. Carrying the "Mail early" messages are daily and weekly newspapers in all communities where letter delivery is by carrier, and spot radio announcements. Supplementing agency effort, the Department itself is using direct mail and poster advertising.

* * *

Investment Dealers Association of Canada will sponsor series of advertisements to explain relation of investment dealer to the investor, the municipality, to business and industry, and to the people of Canada. First will appear soon a list of Canadian business and financial newspapers and periodicals.

* * *

McKim Advertising Ltd. (Toronto) has prepared nine ads, institutional in theme, to explain to Union Gas Co.'s 70,000 odd customers in Southwestern Ontario reasons for gas restrictions and the need for saving fuel. Appeal in daily and weekly newspapers is keyed to housewife, showing her work done throughout Union Gas organization before the tiny flame at the jet. Seven ads are 150 lines by four col.; one, 215 lines by six cols., and a final one, seven by 10 inches.

* * *

J. J. Gibbons Ltd.'s announcements of Goodyear's new Super Sure Grip Tractor Tires use double-page spreads (two color) in farm magazines, both French and English. Similar announcement is directed to dealers through trade magazines.

* * *

Walsh Advertising Inc. (Montreal) has prepared full-page ads in four colors for insertion in Canadian magazines this winter to attract Canadians to the Bahamas. These ads, sponsored by Nassau, Bahamas, Development Board, will run throughout the winter, as well as smaller black-and-white ones in Saturday Night and Time Canadian Edition. Copy points are advantages of holidaying in the "sterling area" without currency restriction, the new TCA air service direct to Nassau from Canada, as well as nine cruises from New York via the "Mauretania." Nassau hotels are also advertising, including the British Colonial, which reopens Dec. 15.

* * *

F. H. Hayhurst Co. (Toronto and Montreal) had to rewrite part of its pre-Christmas campaign for Meccano Ltd. when Ontario Hydro pulled switches. Radio spots were originally keyed for younger ears, and in most parts of Canada were continued in use. Where Ontario blackouts interfered, new spots were prepared directed at parents, because new broadcast times were in adult listening period. Sharing equally in the time are spots on Hornby electric and clockwork trains, made by the same company. Newspapers in all major markers are running weekly insertions in good-sized space.

* * *

Harold F. Stanfield Ltd. (Vancouver) has prepared newspaper campaign for its recently acquired client, Smith-Barregar Products Ltd. of Vancouver, to introduce a new product, SB Wonder Anti-Mist, to the British Columbia market. The preparation prevents misting of windows, bathroom mirrors, and spectacles. The client, which has an entire group of chemical products for automotive and household use, plans an extensive campaign next year, using newspapers and radio. New point-of-sale display material will also be prepared.

* * *

Alford R. Poyntz Advertising Ltd. names Gordon E. Howard its radio director. Appointment is said to be connected with expansion of agency's activity in radio advertising. Following sales and merchandising experience, Mr. Howard entered radio 10 years ago; in addition to free-lance work, he was associated for two years with Vickers & Benson Ltd. and more recently for six years with Harry E. Foster Agencies Ltd.

Santa's Gifts About the Same For Broker and Business Staffs

Santa-in-business, while behaving much as usual, with bonuses in banks, investment and brokerage houses and business offices, this year had a new wrinkle or two to add to time-worn custom.

In some cases he was planning to make that something-extra-at Christmas a weekly extra for the coming year instead; in some industrial plants he was talking of bonuses for shop foremen (apart from profit-sharing plans); in some offices, where it had never applied before, Santa's gift would be in the form of a cost-of-living scheme.

But whatever the form they took, it seemed that bonuses this year would be paid again where they were always paid before—it might be a bit less than last year, it might be more, it might be the same as always.

Here's how the situation looked to The Financial Post after a survey:

In the banks payments would be either in the form of a straight percentage of salary (usually 5%); a cost-of-living bonus; or a salary increase.

In some banks where a cash bonus is paid it had already gone out as a year-end bonus based on the results of the fiscal year, just announced.

Two banks have already announced they will pay a cash bonus of 5%. Another has indicated it will likely make a similar payment. Others prefer to add their Christmas bonus to the cost-of-living bonus paid throughout the year. Moreover, salary increases in many cases came up for consideration at this time. One banker told The Post that his bank dates increases back to Nov. 1 which means a substantial amount of extra money for the recipient.

In most brokerage houses it appeared that Santa will be going the rounds with a lighter pack, will be making fewer calls.

Bonuses will be down from last year because business and earnings are down, most brokerage officials told The Post. Few firms are maintaining last year's payments, while only one contacted by The Post is boosting the year-end payment. Reason: business at this house is largely in booming western oils.

On the average, Toronto's houses will be cutting their bonuses down to about two-thirds of last year's payments. In several cases this will mean two weeks' extra pay instead of three. Others are paying 5%, 10% of the year's salary. One is boosting salaries for next year by 15% in return for Saturday morning work.

Among investment dealers — whose business has held up better than among brokers — bonuses will generally be maintained at near last year's levels —but no higher.

Earnings for the stock houses are off anywhere from 25% to 50% this year, with those firms that specialized in gold mining shares hardest hit. The recent active market in western oil shares has gone a long way in improving the year's earnings' position.

In nearly every business office and industrial plant Santa has a party planned and even if Pop doesn't walk home with some extra pay, the kids will be looked after.

Best off for Christmas spending money will be workers in profit-sharing operations, many of whom have already had their half-year cut.

In the stores the order for Christmas generally is an extra —in some cases double—discount privilege, plus extra pay for extra Christmas hours in some cases.

STEEL SHEETS

English galvanized steel sheets 14/15 gauge 32" x 92". Stocks held for immediate delivery.

W. G. & L. WILLIAMS
49 Wellington Street East
Toronto Plaza 1216

Increased Operating Costs Raise Bank Service Charges

Due to sharply-rising costs, chartered banks are increasing some of their service charges, The Financial Post learns. Probability that this would be done was indicated some weeks ago (The Financial Post Oct. 23,). Some increases have already gone into effect with some banks, it is understood, while others are pending.

One of the services which will cost more is that of looking after small but active savings or demand deposit accounts. This affects accounts where the minimum balance in the account is small but the depositor uses the bank frequently for paying cheques etc. The increase in these service charges is stated to be moderate, the cost to the customer depending on how much work he gives the bank for entries in his account. It is stated it costs the bank six cents for every cheque it pays.

There will also be a tightening up in charges for transmitting funds of large organizations from out-of-town offices or branches to a central point or to a head office. Policy regarding charges for transmitting such funds will likely be more uniform.

Charges for handling company payrolls, will probably rise with the work involved. For example, where an industrial company sends in its payroll envelopes, already addressed, the charge will not likely be at the same level as where the bank staff has to do the addressing. In some quarters it was indicated that the cost of safety deposit boxes and of making collections also may be increased before long.

In explaining the increases, bankers say that in some cases, certain services were not charged for previously. In others, where there has been a charge, no increase has been made since its inception or at least for many years. Meanwhile costs of salaries, stationery, rent, equipment, furniture, fuel etc., have all been rising.

One example of rising costs mentioned is that of remuneration to employees which in 1947 at almost $79 millions was 21% above the 1946 level, 67% above the 15-year average from 1933 to 1947.

The new charges are aimed more at enabling the banks to break even on their services, the regular banking operations such as lending and investing, being looked to mainly for profits, it is stated.

Alberta Butter Production Down

From Our Own Correspondent

EDMONTON — Creamery butter production in Alberta in October was 2,346,000 lb., a drop of 57,000 lb. from October, 1947.

Production was up 58,000 lb. in northern Alberta, down 42,000 lb. and 73,000 lb. in the central and southern sections respectively.

WANTED: ↙

MEN WHO MAKE DECISIONS

There's room on The Post's mailing list for men of action; for executives who want the kind of business and governmental news that helps them in their business; for investors who can use up-to-the-minute market data in their investment planning.

If you are a decision-maker, The Post offers you an excellent opportunity in the months ahead for profitable business and investment planning.

To keep yourself "on top," simply tear out and fill in coupon today.

THE FINANCIAL POST,
481 University Avenue, Toronto 2, Ont.

Please send THE FINANCIAL POST. Enclosed find—

☐ $5.00 for one year. ☐ $10.00 for two years.

Company ....
Attention of ....
Street address ....
City & province ....
Nature of business ....

Rates: In Canada and British countries (except Australia), $5; Australia, U. S. A., Mexico, Central & South America, France, Spain, $6; other countries, $7.

FP-50

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

American Zinc, Lead & Smelting Co. (St. Louis, Mo.) — Harry W. Knight (Toronto) a director.

Angoras of Abercorn Ltd. (Sutton, Que.) — G. L. Aldrich, assistant general manager.

Association of Canadian Clubs—Eric W. Morse (Ottawa) executive director.

British American Oil Co. — D. L. Campbell, refineries manager (Toronto).

British Institute of Actuaries — J. Gordon Beatty (Toronto) an honorary fellow.

Canadian Pacific Express Co. — G. E. Grant, assistant general auditor.

Canadian Pacific Railway Co. — A. J. Mahon, general passenger agent, prairie region (Winnipeg); E. Officer, assistant general passenger agent, Vancouver; H. Newton, general agent, Calgary; J. M. Bartlett, ticket agent, Moose Jaw; Victor A. Bowes, Manitoba district passenger agent.

Canadian Radio Technical Planning Board — R. A. Hackbusch (Toronto) president; Gordon W. Olive (Montreal) vice-president.

Carbon Paper Service Bureau (and Stephens Sales Ltd.) — J. Dorion Brisbois, vice-president and director of national accounts; Edward J. Brisbois, president and director of sales; W. J. Brisbois, secretary and director of purchasing.

T. Eaton Co., British Columbia, Ltd.—John David Eaton president; O. D. Vaughan (Toronto), J. P. Jenkins (Vancouver) vice-presidents; J. Elliott (Toronto) secretary and a director; R. S. McCordick, G. M. Eaton (Winnipeg), W. Park (Toronto), directors.

E. B. Eddy Co. — G. Gordon Gale, vice-chairman of board; W. S. Kidd, president and managing director.

Disher Steel Construction — T. T. Rahilly (Toronto) a director.

Fabricated Steel Products Co. (Windsor, Ont.) — A. W. Eansor, general manager; Thos. H. Eansor, sales manager.

Fraser Companies — Geo. Ernest Barbour (Saint John) a director.

Great-West Life Assurance Co. — Glen W. McPherson, manager, British Columbia mortgage investment office.

Halifax Hydro Commission — H. E. Kane, chairman; H. Fielding, Rankine, vice-chairman.

Imperial Varnish & Color Co. (Toronto) — Harold Fry, a director.

Industrial Adhesives Ltd. — David F. McGibbon, sales manager.

International Varnish Co. — G. E. Juby, manager, Toronto branch; W. Morrison, Central Ontario sales representative.

King Edward Hotel (Toronto) — Richard H. Nash, manager.

Lewis Craft Supplies Store (Saint John)—Frank Roulston, manager.

R. J. Logue Ltd. (Sydney) — Ernest Smith, secretary-treasurer and general manager.

McLachlan Motors Ltd. — Frank Rowe, member, sales staff.

Navy League of Canada—Charles Shaw, managing secretary, Ontario Division.

North West Commercial Travelers' Association — G. T. Nix (Winnipeg) president; F. H. Masson, F. T. Orchard, J. W. Ireland, H. H. Cook, vice-presidents; J. P. Minhinnick, treasurer; J. H. Roe, managing director.

Ontario Government — F. Stanley Rivers, superintendent of professional training.

Pepsi-Cola Co. of Canada (Montreal)—David M. Chenoweth, vice-president and managing director.

Personal Finance Co. of Canada — Bruce L. Thompson, manager, Winnipeg branch.

Photographic Survey Co. (Toronto) — P. F. Osler, a director.

Quebec Professional Beekeepers' Asosciation — Lewis Bosse (St. Martin) president; L. Lefort, vice-president; J. A. Prud-homme (St. Isadore) secretary-treasurer.

Trans-Canada Air Lines — D. N. Allen, communications supervisor, central region (Toronto); E. G. Lambert, communications supervisor, eastern region (Moncton).

University of Saskatchewan — W. P. Thompson, president.

University of Toronto — Prof. J. R. Dymond, head of zoology department; Dr. E. M. Walker, emeritus professor of zoology.

United Kingdom Government — E. M. M. Partridge, trade commissioner, Montreal.

University of Toronto Alumni Association — W. A. Osbourne (Galt) president.

Vancouver Better Business Bureau—Ross Wilson, president; Norman Usher, vice-president; Mel Thomson, treasurer; A. G. Aggett, secretary.

Vancouver General Contractors' Association — L. G. Murray, president; F. J. Dawson, D. McAlister, vice-presidents.

Hiram Walker & Sons Ltd. — John T. O'Gorman, Ottawa district manager.

Winnipeg Citizen—B. T. Richardson, editor.

Canadian Pacific Railway Co. announces the retirement of Wm. Horder, general passenger agent, prairie region (Winnipeg).

Ontario Agricultural College announces the retirement of Thos. H. Stuart, bursar.

Obituaries

Alexander Stevenson Bain, 74, Vancouver, owner Pacific Equipment Co.

Frank Baxter, 76, Toronto, founder Cecilian Co.

Jesse Bradford, 70, Dunville, barrister and former police magistrate.

Gordon T. Brownlee, 42, Montreal, branch manager, Royal Bank of Canada.

Isaac Bruck, 65, Miami Beach Fla., president and treasurer Bruck Mills Ltd.

Douglas Bryden, Kirkland Lake, mill superintendent, Upper Canada Gold Mines.

Redmond Code, 55, Ottawa, barrister and mine director.

Jules L. Clement, 76, Montreal, former real estate broker.

J. Lloyd Condon, 42, Kentville, N.S., member, M. A. Condon & Son (construction).

William Galer, 70, Toronto, manufacturing chemist, Druggists Corp.

Arthur W. Davis, 66, Picton, Ont., secretary-treasurer, Bay of Quinte Mutual Fire Insurance Co.

Charles Melrose Forrester, 42, Toronto, sales manager, Gurney Foundry Co.

Robert Addison Henry, 63, Windsor, construction engineer, Canadian Bridge Co.

Clement Laird Harris, 86, St. Petersburg, Fla., former Canadian National Railways executive.

Patrick Kirby Hunt, Toronto, former superintendent, United Hotels, manager, King Edward Hotel.

Richard Maddocks, 66, Toronto, owner and manager, Bates & Maddocks Funeral Chapel.

Ralph B. Norton, 68, Montreal, president, Norton Steel Co.

Albert Edward Orwell, 42, Montreal, mechanical superintendent, wire and cable division, Northern Electric Co.

Charles Albert Perry, 57, Vancouver, executive of Whitsell Construction Co.

James Beveridge Thompson, 64, Montreal, barrister and insurance executive.

Look For It Here

Dec. 11, 1948

REGULAR FEATURES

Adelphi	32	Market C'ment	29
Advertising	2	Mining	30, 31
Banking	15, 25	Others Say	6
Books for Bus.	23	Post Scripts	6
Editorials	6	Prov. Roundup	26
Grain	27	Quotations	28, 29
Indust. Growth	21	Taxes	9
Insurance	22	The Question	8
Investments	4, 5	What's New	19
Labor Roundup	12	You Asked Us	19

INDUSTRIALS

Algoma Steel	4, 27	T. Eaton Co.	3
B. A. Oil	4	Federal Grain	27
Bathurst Pwr.	23	Hiram Walker	10
Bell Telephone	32	Imper'l Varnish	12
Brantford Cord.	21	Int. Paint	4
Brown Co.	3	Jam. Pub. Serv.	10
Brazilian Trac.	4	Lawson & Jones	7
Can. Breweries	4	M. & O. Paper	24
Can. Car & Fdy.	15	Mercury Mills	4
Can. Collieries	14	Molson's Br.	4, 22
Can. Power	4	Murphy Paint	23
Consumers Glass	23	North. Que. P.	5
CNR	11	North Star Oil	11
CSL	4	Norwest. Util.	3
Cub Aircraft	9	Page-Hersey	5
Dionne Ltd.	7	Pembroke Elect.	5
Display Service	20	Prov. Transport	9
Distillers Corp.	5, 9	Sher.-Williams	10
Dominion Foils	19	South. Can. P.	7
Dominion Glass	14	Sterling Trust	24
Dom. Oilcloth	5	Sumner Propane	5
Dryden Paper	4, 24	Traders Bldg.	4
English Elec.	29	Winnipeg Elec.	20

MINES AND OILS

Aubelle	7	Isle of Pines	31
Base Metals	30	Kirkland L. G.	25
Century Mng.	19	Louvicourt G.	26
Cheskirk	22, 31	Matarrow Lead	31
Citralam	31	New Calumet	29
Coast Iron	30	New Pacalta	5, 27
Continental	29, 31	New Thurbois	5, 31
Dome	31	Nisto Mines	31
Dulama	10, 22	North Inca	10, 30
East Sullivan	30	Pacific Pete.	20
Falconbridge	31	Pato Cons.	15
Fission Mines	27	Roybar Chiboug.	27
Giant	30	Salmita	8
Heva	30	Santiago	20
Hudson B. M.	18	Steep Rock	31
Hugh Malartic	4		

PRICES

(Continued from page 1)

government stockpiling, and U. S. demand for exportable products —there's not much chance for any protracted price slumps.

Western oil price front wasn't very quiet last week. But it looked pretty healthy.

Imperial Oil Ltd. made the first move. It slashed crude oil prices by 43c a bbl. at wellhead in Turner Valley and 52c in Leduc, Woodbend and Redwater. To the consumer it meant savings in gasoline, kerosene, tractor distillates, and Diesel fuels of up to 2.4c a gallon in Edmonton and up to 1.5c in Calgary.

This week, British American Oil Co. reduced its crude purchase price by 42c a bbl. at Leduc, Woodbend, and Redwater and 28c at Turner Valley.

U. S. crude was having trouble the other way.

Major oil buyers were still trying to hold the line against the 35c a bbl. increase posted by Phillips Petroleum Co. and Sinclair Oil Corp. (to $3 a bbl.). But anything could happen. Producers say they need the $3 price in the face of advancing costs. The oil companies didn't want to boost consumer prices, nor absorb higher crude costs. It was still a 50-50 bet.

Christmas turkeys are causing retailers a lot of trouble these days. They're short on supply and likely to be long on price.

One Toronto dealer, who at this time last year had sold over 150 birds, hasn't even seen one to date. Most are taking orders subject to conditions of delivery date, weight, and price. And the consequent shift over to poultry has already lifted chicken prices 5c to 7c a lb.

At midweek there were reports that available gobblers were selling as high as 68c a lb. liveweight on the farm. Translated that could mean a retail price of anywhere from 76c to 80c a lb. if existing conditions persisted.

What was causing short supply? U. S. buyers took a lot of the blame with reports of many such sales right across the country. Disease, too, had taken its toll — one farmer lost a thousand birds to "black head" disease. But a big factor as always: farmers were holding back, waiting for the right price.

It would probably take another week for the full supply picture to develop. But one thing certain: the gobblers would be bigger. (One producer estimated 90% of his turkeys at more than 20 lb. weight). This might mean sales of "split" birds, and perhaps even lower prices to get rid of the heavyweights.

Canadian pulp prices have hit the price skids recently.

In a general weakening of U. S. pulp and market paper, Canadian bleached and unbleached sulphate have dropped $10 to $12.50 a ton. Recent quotes put unbleached sulphate at $115 to $125 a ton and bleached sulphate at $147.50 to $150 a ton. Reason: supply and demand conditions have begun to reach an equilibrium point. (See page 5 story).

Silver price decline tapered off a bit this week. Late last week it died out by dropping a quarter cent to 70c an oz. in New York at midweek.

Oldsmobile joined the upward parade in U. S. automobile prices. Following the lead of other G. M. products (Buick and Cadillac) the 1949 Oldsmobile will carry a higher price tag than last year.

Increases in the Futuramic series "98" ranged from $360 to $370 over 1949. Series "76" posted gains of $45 to $60.

Canadians, looking forward to 1949 G. M. and Chrysler models, could almost see the writing on the wall. Postwar style changes were pushing prices ever upward.

'Peg Hydro Plan Vetoed

(Continued from page 1)

to this effect, it submitted the proposed alternative to Dr. Hogg who said he could not recommend acceptance of it by the province in its present form.

The province's objection was that the city proposal put the whole financial responsibility for future power developments on the province and vested management of them in others. Dr. Hogg confirmed this view.

An agreement may be reached which will leave the city with ownership of its present Pointe du Bois and Slave Falls plants. It owns the first in perpetuity and holds the Slave Falls site under lease expiring in 1962.

If in the meantime the province, to assure a power supply for its own rural electrification scheme, has given the go-ahead signal to bringing into production an undeveloped site at Pine Falls. (See Provincial Roundup, p. 26.)

Exhibition
CANADIAN PAINTINGS
PRICES START AT $35

A COMPREHENSIVE EXHIBITION, INCLUDING WORKS BY MANY OF CANADA'S OUTSTANDING ARTISTS

Emily Carr	*York Wilson*	*Grace Coombs*
Blair Bruce	*F. H. Brigden*	*Fred S. Haines*
J. W. Beatty	*A. Y. Jackson*	*Roland Gissing*
Tom Roberts	*Lawren Harris*	*Franz Johnston*
F. A. Verner	*Tom Thomson*	*Alfred J. Casson*
Henri Masson	*L.A.C. Panton*	*Clarence Gagnon*
Wm. Winter	*Arthur Heming*	*Manly MacDonald*
Homer Watson	*Winchell Price*	*Yvonne Housser*
Horatio Walker	*Robert F. Gagen*	*George Chavignaud*
Frank Panabaker	*Frank Hennessey*	*J. E. H. MacDonald*
Thomas Mitchell	*George Thomson*	*Frederick H. Varley*
	Cornelius Krieghoff	

Galleries open each day except Sunday from 9 a.m. to 6 p.m.

A. R. Laing G. Blair Laing

Laing Fine Art Galleries
60 Bloor St. East — Toronto, Ont.
"PICTURES FOR LASTING PLEASURE"

SIMPLIFY YOUR CHRISTMAS SHOPPING WITH SIMPSON'S GIFT CERTIFICATES

Make your Christmas shopping a joy to you, as well as to your friends . . . play Santa with Simpson's Gift Certificates. This quick and easy solution to your Christmas quandary will appeal to every taste . . . you'll be proud to present them in their specially designed Christmas envelope. Simpson's Gift Certificates are honored at any time . . . for any of Simpson's merchandise or services . . . at any of Simpson's stores or order offices across Canada. Available in handy denominations from 25c to $10.

Ask for them at the Charge Office — Fourth Floor
Also Cash Office — Basement

Simpson's
TORONTO

'Tangible' Property Taxed In Sale of Spencer Stores

From Our Own Correspondent

VANCOUVER — Sunday window-shopping at Spencers, for years a popular pastime here, is a thing of the past today. Marking the changeover in ownership to the T. Eaton Co. Limited (The Financial Post Dec. 4), all stores of the former David Spencer Ltd. chain will have their window curtains drawn on Sundays, in keeping with the Eaton tradition.

Another change will be that the former Spencer stores will no longer stock the cigarettes and special tobacco, for which they have long been famed (at one time Col. Victor Spencer established special tobacco plantations in the Fraser Valley).

Purchase of the nine Spencer stores for a reported price of $14 millions to $17 millions, is one of the largest single business negotiations ever transacted in Western Canada. It increases the coast-to-coast chain of the T. Eaton Co. Ltd. to 61 stores and its employees to 39,000.

Not Selling Hotels

Reports that the T. Eaton Co. Limited was considering sale of the old Hotel Vancouver and York Hotel (in the same block) are without foundation, a company official states. The company still plans to build a new modern department store on this site in the future. These properties were purchased early in 1948 from the Canadian Pacific Railway Co. for $1,850,000.

Spencers still keeps its three large Cariboo cattle ranches at Lytton, Pavilion and Dog Creek, and hopes also to supply the Eaton firm with meat. Not involved in the sale, either, were the Victoria Daily Times, a Spencer family holding, and other businesses.

Stores purchased were the large downtown Vancouver department store, a smaller one on Fourth Ave., Vancouver; and branches in Victoria, New Westminster, Nanaimo, Courtenay, Duncan, Chilliwack and Mission.

Tax on "Tangible" Property

The sale was not subject to British Columbia's 3% sales tax, which does not apply to real estate or inventories. Some payments, however, will be made on "tangible personal property," officials of the Municipal Aid and Social Security Tax Department said.

Tangible property can include movable desks, showcases and some other items. The sales tax representatives are now going through the stores and books, prior to making an assessment.

"It might be a considerable sum," one official said, "but it won't be anything like the amount we would have received had the whole deal been subject to the tax."

Administering the Eaton organization in B. C., which will be known as the T. Eaton Co., British Columbia Ltd., will be John David Eaton, president; O. D. Vaughan, Toronto, and J. R. Jenkins, Vancouver, vice-presidents. Directors are: R. S. McCordick, and G. M. Eaton, Winnipeg; W. Park, Toronto, and J. Elliott, Toronto, secretary. J. A. Livingstone is treasurer and James Turner, auditor (both of Toronto).

Hint Accord May Be Near On Brown Co.

MONTREAL (Staff)—A cash payment on account of preferred dividend arrears of Brown Co. is the latest proposal from W. B. Joyce, chairman of the Common Stockholders' Protective Committee. In a newspaper advertisement Mr. Joyce suggests formation of a Preferred Stockholders' Committee to act either separately or jointly with the other.

It is understood the advertisement followed a meeting of representatives of the Common Shareholders' Committee with company management. Investment men say it may represent the first move in an attempt to get preferred and common shareholders in agreement on a capital reorganization plan.

Joyce stated that "because taxes upon cash dividends are much higher than upon capital gains, wealthy stockholders may object to them, but thousands of Brown Co. stockholders want cash."

Investment circles here say that even some of the so-called "wealthy stockholders" would not be averse to a cash payment.

Joyce urged that the company pay at least $8 a share on preferred stock, of which $3 would be regular semiannual dividend and $5 payment on arrears of $54 a share. He stated that his committee believed the company would earn in 1948 around $27 a share on the preferred; or net earnings of $4 millions.

International Chamber To Meet In Quebec

The 12th world Congress of the International Chamber of Commerce will be held at the Chateau Frontenac, Quebec, next June 13 to 17.

Over 500 visiting businessmen from the 30 member countries are expected.

No Public Issue Northwestern Util.

Although Northwestern Utilities Ltd., Edmonton, Alta., has received supplementary letters patent to increase its capital stock, directors have no intention of doing any public financing at the moment, President H. R. Milner informs The Financial Post.

The company has sold an additional 20,000 common shares, par $25, to International Utilities Corp., its parent company, for $500,000, Mr. Milner adds.

The number of authorized common shares, par $25, was increased from 160,000 shares to 300,000 shares by supplementary letters patent dated Nov. 3, 1948.

Import Control Changes Coming

(Continued from page 1)

amount of "savings" which it feels it can afford to lose during 1949.

The "Nuisance" Items

Another criterion will be "nuisance" items.

The present list contains a great many small items which for one reason or another have to be softened by "hardship" imports.

The next saving is, therefore, not large. A lot of these items will be dropped completely from the present list of prohibitions.

There will also be a number of "glamour" items on the new list. These are quite frankly items which have considerable public interest and which do not involve too great a drain in U. S. dollars.

Another group is items where conditions affecting imports have now changed and where it is presumed that even if the barriers were dropped, imports would not be large.

A final and very important problem centres around new quotas for items like textiles.

The present quota on textiles from United States is considered definitely inflationary, in that prices in many lines in the United States are currently 5% to 10% below those which prevail in Canada. On this score, therefore, the Government would like to see some easing of present quotas.

As well, there is the legal but disturbing trading now going on in textile quotas. The current price for a transferable quota is said to run as high as 20%.

The U. K.'s Position

But against this are two important considerations:

1. The argument of United Kingdom that it has taken a long time to get Manchester readjusted to Canadian lines and that this process is just beginning to bear fruit. If the "preference" afforded by the dollar-saving program is wiped out or substantially altered now, it is said that the hopes of re-establishing a permanent Canada-U.K. connection may be seriously jeopardized.

2. The virtual commitment that the Government gave to the industry last year that if, as and when, there was any considerable relaxation of present U. S. import controls, it would at the same time restore much if not all of the protection which was temporarily suspended until not later than June 30, 1949, to allow the United Kingdom to get established in this market.

For these reasons, it is not thought likely that there will be any substantial alteration in textile quotas at this time, although some upward adjustments may be made on a modest or piecemeal scale.

TLC Facing Showdown; May Get AFL Ultimatum

(Continued from page 1)

opposition to the Reds, observers here can't see how the Executive's decision in Miami can be anything but against the Communists in the TLC.

Hall took the matter before the AFL right after the TLC convention in Victoria when his forces were routed, and the convention even adopted a Communist-line resolution attacking the Marshall plan. At that time the AFL convention was on in Cincinnati and didn't have time to deal with it. Hence the special meeting in Miami.

Protect AFL Name

As a major contractor in the building of the TLC, and because AFL branches make up the biggest part of it, the AFL feels it has a responsibility to its Canadian branches to see that no discredit is brought on its name.

If Bengough persists in maintaining an official TLC policy of "do-nothing" about the Communists, there is better-than-even chance, say those who know what's going on, that the AFL executive will order all its branches in the TLC to pull out.

There are roughly 70 AFL International unions in the TLC, with almost 2,000 locals with perhaps 300,000 members. These comprise 75% of the entire TLC. All wouldn't pull out if ordered to, even on penalty of loss of their pension and sick benefits, for which they have paid in over a period of years.

These important considerations for instance, probably wouldn't carry any weight with the Communist leadership of such Communist-AFL groups as the Chemical Workers; United Garment Workers (not International), Textile union and the big Lumber and Sawmill local of the Carpenters' union in Northern Ontario.

But this reason cited would likely be more than enough to make a lot of the AFL and perhaps some non-AFL neutrals now consciously or unconsciously defending the Reds, stop and think.

At present, as expressed at the last convention when Bengough and his entire slate was re-elected, these middle-of-the-roaders accept the Communist line that the real enemy and only enemy of labor is the Boss. Everything else, even Communism, is superficial. Anti-Communism is Red-baiting and union-busting.

What the AFL Executive decides next month may have an important bearing on this attitude. It can have an equally important bearing on the TLC and also on the future course of all organized labor in Canada.

U. K. Market Bacon, Eggs Is Cut 30%

OTTAWA — Official warning was given publicly this week to Canadian farm leaders that United Kingdom would not in future provide as good a market for Canadian bacon, eggs, etc., as in the past.

Highlight of the Dominion-Provincial annual farm conference was the blunt report of Minister of Agriculture Gardiner that there was a low ceiling ahead for Canadian Farmers who had been selling their products in the United Kingdom.

The 1949 contract puts the maximum amount of bacon to be shipped at 100 million pounds at present prices. This is roughly 40 million pounds below last year's target and about the same amount less that the prewar market.

Fresh eggs in shell are no longer wanted. This would mean a cutback of 30% in quantity and a much larger decline in dollar purchases. Value of the fresh egg contract at an average price of 50 cents a dozen would be $12 million annually.

Cheese contract is unchanged at 50 million lbs. All in all, U. K. purchases here next year will total at most $115 millions on bacon and eggs or $35 millions less than last year.

Vickers Plan Pulp Machines

(Continued from page 1)

sold more than $20 millions of ships to South American countries, notably Brazil and Colombia. Payment for these vessels was made in U. S. dollars.

As an example of the diversification policy, Mr. McLagan pointed to the large industrial alcohol plant which Vickers-Vulcan Process Engineering Co., a partly owned subsidiary, has just completed at Gatineau, Que. This plant, one of the largest of its kind, manufactures industrial alcohol from sulphite waste liquor. Mr. McLagan stated that the Vickers-Vulcan Co. is steadily adding to its sales.

Canada's Stand In China Fight

(Continued from page 1)

millions for coastal ships, are largely spoken for. There is no existing authority for further credits except for commercial transactions under the Export Credits Insurance Act.

Of the $60 millions loan, $35 millions was for general civilian purchases. This was committed almost entirely some time ago. The balance ($25 millions) was for military supplies, mostly war surplus. This has not been entirely used, largely because of high shipping charges which the Nationalist government must bear in getting these items to China.

Military Supplies: Canada is not likely to be the first country to take steps to control military supplies to China. Initiative in this would most likely come from U. S.—for one thing the U. S. stake in this matter is so much larger.

With the Popular Front in power, it is thought likely Canada would act as toward Europe, namely "screen" exports of weapons and strategic materials by means of the existing order-in-council which operates through existing export control machinery.

Diplomatic: Only when and if the Nationalist government falls, will the cabinet decide on what basis (if any) a new government will be recognized.

In Europe, Canada continues diplomatic relations with Popular Front governments, even though Communist-dominated, where these channels were already in existence. It is unlikely that this policy would be reversed in China, although a man of full ambassadorial standing such as Tom Davis, would almost certainly not remain at his post.

Civilian and Diplomatic Personnel: There are about 600 Canadians still in China of whom about 400 are missionary and educational. The remainder are largely businessmen. Many missionaries and some businessmen are electing to stay in China and carry on no matter what government emerges.

Diplomatic representation is now reduced to six or seven persons, at Nanking and Shanghai. Most of these, plus other civilians, are to be withdrawn by chartered Netherlands plane if the government falls and Shanghai is taken.

To Enjoy the Finest
WORLD-FAMOUS
CANNED HAM

THIS HOLIDAY SEASON serve your guests Europa Brand Canned Ham—for the finest in festive entertaining and enjoyment.

ACCLAIMED 'round the world Europa Brand Canned Ham is unsurpassed for taste and tenderness. Specially selected, cured and prepared, each Europa Ham is boneless, cooked in natural juices and comes to you ready to serve. It can be baked if desired.

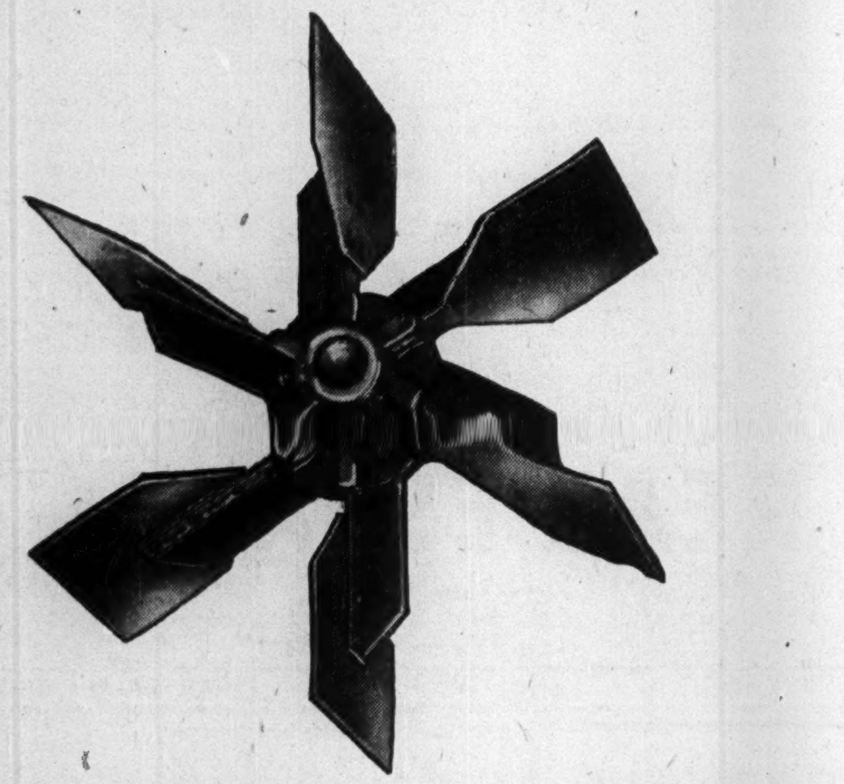
YOUR HOLIDAY entertaining—dinner, late supper or cocktail hour—will be really successful when you serve Europa Brand Canned Ham. Order one today.

Now on Sale at Finer Food Stores.

A SUGGESTION TO BUSINESS EXECUTIVES. Europa Brand Canned Ham provides an excellent and unique expression of company goodwill to business connections, fellow executives, and associates at this Season.

A PRODUCT OF INTERCONTINENTAL PACKERS LTD.

HANDLE MORE CORROSIVE FUMES



NOW THAT YOU CAN SPEED-UP YOUR FANS

Gaco PROTECTIVE COATINGS WITHSTAND HIGHER R. P. M.

Plant engineers, faced with the problems of increasing plant output, often find that their present equipment cannot withstand such conditions as increased speeds, and stronger corrosive action. This is when they should consider Gaco coatings.

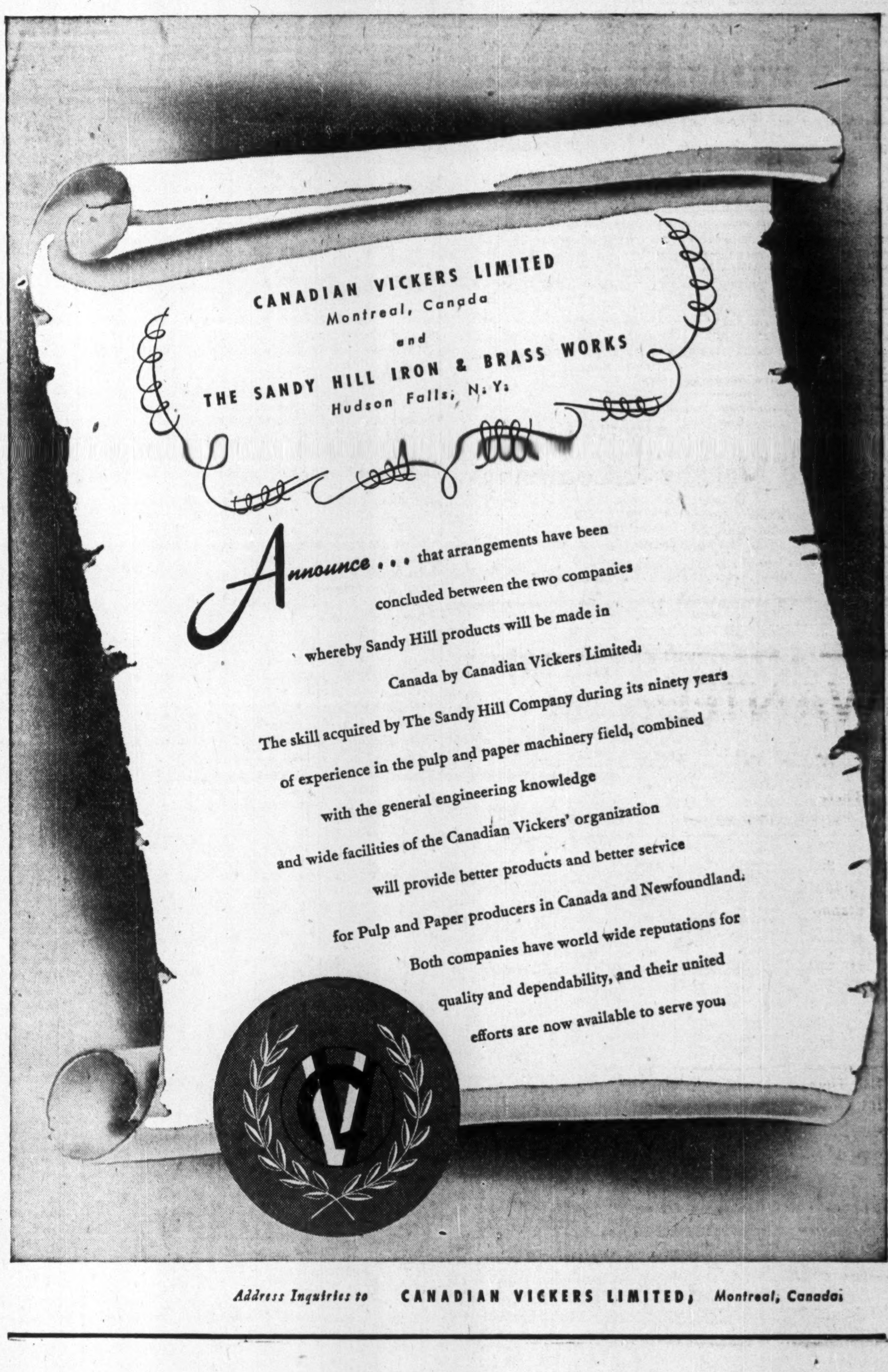
Take, for example, increasing the speed of an expensive lead-coated blower used for exhausting fumes from process equipment at temperatures ranging from 180° to 190°F. — fumes that contain H_2SO_4 mist, SO_2, SO_3, and water vapour. These conditions are so severe that a 1/4" steel plate would be eaten away in a matter of weeks. To handle the increased volumes, the fan speed must be increased beyond the critical point of the lead coating. One manufacturer faced with this problem decided to replace lead with heat and acid resistant neoprene. Where hard and soft rubber would fail, the neoprene has stood up and after 14 months, working 24 hours a day, it is still in good condition and giving satisfactory service. There is not just one Gaco coating, but there is a correct Gaco protective coating for almost every corrosion problem.

Write for free samples and folders

Gaco NEOPRENE
APPLIED BY: PROTECTIVE COATING DIVISION

WATEROUS LIMITED
BRANTFORD ONTARIO CANADA
BRANCH PLANTS AND OFFICES
EDMONTON, ALBERTA CALGARY, ALBERTA
West Coast Subsidiary
HEAPS, WATEROUS LIMITED
NEW WESTMINSTER B. C.

Toronto Rep. for Gaco products: STERLING STEEL CO. LTD., 20 Temperance St. B. C. Associate Plant for Gaco products: VANCOUVER IRON WORKS LTD., 1155 W. 6th Ave., Vancouver.



Address Inquiries to CANADIAN VICKERS LIMITED, Montreal, Canada

INVESTMENTS THIS WEEK

Investors in Algoma Steel Await Data on Subsidiaries

Algoma Steel Corp. common has been one feature of the stock market recently. Prior to the appearance of its 1947-48 annual report this week, it sold up to $57 a share on good trading. On the report's appearance, it sold down to $53 a share; but recovered rapidly the same day to $55¼ bid to $56 asked, a share.

Dealers say that some confusion over reported earnings was one factor in the initial drop. Selling by shareholders disappointed over the fact that the company did not give more information on the earnings of its subsidiaries was another, they say.

Algoma Steel's net profit for the year ended April 30, 1948, was up 60.8% from the previous year and equivalent to $4.89 a common share if dividend requirements for its preferred, now redeemed, are disregarded. Chairman and President Sir James Dunn attributed the increase to "extensions and betterments in the works paid for out of net profits and to the growing efficiency of the whole organization, as well as continuous operation throughout the year." Some shareholders are wondering what the "growing efficiency" may mean for this year's profits.

Algoma Steel common, at $56 a share, is selling about 11.5 times its earnings of $4.89 a share. It gives shareholders no return, as the company has never paid any common dividends.

There is a strong feeling in investment circles that the company's annual report fails to reflect its actual earnings, because the statement does not consolidate results of subsidiaries. Thus the earnings power and value of Algoma Steel's subsidiaries remain the big factor in evaluating Algoma Steel common.

Algoma Steel's investments are carried on the balance at $1,661,138 at April 30, 1948. The difference between this figure and their balance-sheet value of $1,101,595 at April 30, 1947, is nearly all accounted for by acquisition of three new subsidiaries (see annual report page 27.) The latter figure is little changed from the book value of investments of $1,069,525 at April 30, 1939, so there is no indication in the figures of the true value of investments or of any increase in value.

In this year's annual report, Sir James Dunn, in speaking of the operation at Victoria Mine of Algoma Ore Properties Ltd. says that by the end of 1950, the company expects it will have substantially recovered from operation the $4 million cost of its underground installation, sintering plant extensions, housing and public service expenditures at Jamestown. In referring to the Helen and Victoria mine properties he states "the ore remains richer at greatest depth reached than at any higher level . . . ."

Another statement, that "continuous drilling and trenching operations conducted to the east of the Helen and Victoria have established the existence of similar deposits in such concentration and extent that our country here can be conservatively classed as an Iron Range of very great magnitude," is also pointed to as an indication of potential value. Any move by Ottawa to aid iron ore production in Canada should react to Algoma's benefit, it is argued.

Referring to the two coal subsidiaries, Sir James states they "have continued successful operation" and have property "on a favorable royalty lease," which, together with the Cannelton property "ensures more than a half-century supply of high volatile coal on the scale now being mined in our high volatile properties."

However, no assessment of the actual dollar value of the investment in these subsidiaries can be made by shareholders from these statements. They only serve as indications that their potential value is likely in excess of their balance sheet value. Until actual statements are furnished covering these subsidiaries' operations or a consolidated statement is available, speculation on their value will probably be a major factor in the stock market action of Algoma Steel common.

Algoma Steel Scores A Mining Triumph

The annual report of Algoma Steel Corp. reveals that its wholly-owned subsidiary, Algoma Ore Properties Ltd., has scored a triumph in iron ore mining. The report states:

"The development of our block cave system from which already ore begins to come to the sintering plant is considered a triumph in block cave mining, the first of its kind in Canada in iron ore mining and on the greatest scale ever adopted in iron mining anywhere. The solidity of the native rock and the compactness of the iron deposit make timbering or other support unnecessary. Engineering visitors from important Canadian and American mining companies have pronounced it an advance over any mining system established to treat similar ore bodies."

* * *

Investors Ask Buyer of Dryden Paper Common

Dryden Paper Co. reports 32,000 common shares sold during the fiscal year under a bylaw which empowers directors "to dispose of additional shares at such prices and in such amounts as in their judgment is for the best interests of the company." This brings the present issued shares up to 182,000.

Last February it was reported that 20,000 shares had been sold at $25 a share to a company which was then not a shareholder of Dryden Paper and in which none of Dryden's directors was interested. In June, the company advised that directors had accepted a subscription for 10,000 shares at $25 a share to a company which was then a shareholder of Dryden Paper Co. but in which none of the directors had any interest.

The other 2,000 shares sold were to the vice-president and managing director E. L. Goodall under an option agreement. Mr. Goodall still has the option of taking up a further 8,000 shares.

In view of the fact that 30,000 common shares represented an increase of 20% in the former 150,000 outstanding common shares and represents nearly 16.5% of the total issued common shares, some investors feel that the directors should announce the name of the purchaser or purchasers.

Dryden Paper common is currently selling at $25 a share, to yield about 4.80% on the basis of the $1.20 dividends paid in the 1948 calendar year.

* * *

Molson's Fixed Assets Worth Over Balance Sheet Value

One example of the extent to which the actual value of a company's assets may exceed its balance sheet value, is seen in the annual report of Molson's Brewery Ltd. An appraisal of buildings and equipment made for the company under date of Sept. 30, 1948, showed a replacement value of $6,664,277 and a depreciated value, as a going concern, of $6,544,374. This latter figure is over 2.8 times the comparable net balance sheet figure of $2,310,551. The difference is equal to about $5.64 a share on the outstanding 750,000 no-par-value common shares.

* * *

Can. Breweries Now Owns 113,734 Shs. Brewing Corp.

Canadian Breweries Ltd. through its wholly-owned subsidiary, Canadian Breweries Inc., purchased an additional 274 shares of Brewing Corp. of America, $15 par common in October 1948, the U.S. Securities & Exchange Commission reports. This brought its total holdings up to 113,734 shares or about 78.4% of the outstanding 145,000 shares of Brewing Corp.

* * *

Security Transactions Reported to S.E.C.

Among changes in the security holdings of officers and directors of companies reported to the U.S. Securities & Exchange Commission for October 1948, were:

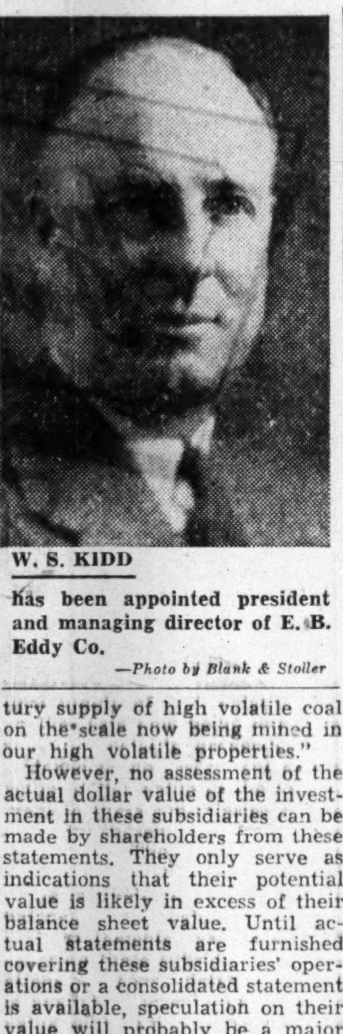
C. D. Magee, Toronto, a director, sold 200 shares of Canadian Breweries Ltd., reducing his holdings to 9,800 at Oct. 31.

C. H. Sage, Neenah, Wis., an officer and director, purchased 600 shares in Kimberly Clark Corp., bringing his holdings to 8,970 shares.

Balmer Neilly, Toronto, president and a director, purchased one share of McIntyre Porcupine Mines, Ltd., bringing his holdings to 1,570 shares.

H. Clifford Hatch, Walkerville, Ont., reports an estate in which he is interested sold 2,100 common shares during October, reducing its holdings to 28,000 shares at Oct. 31. Mr. Hatch owns 743 shares, while a trust in which he is interested owns 5,885 shares.

Paul H. Todd, Kalamazoo, Mich., a director, sold 200 class A shares, International Hydro-Electric System in September reducing his holdings to 44,000 "A" shares. He also owns 500 common shares in Gatineau Power Co.



W. S. KIDD

has been appointed president and managing director of E. B. Eddy Co.

—Photo by Blank & Stoller

ECA Aluminum Resold to U.S. Buyers Charge

Canada May Ship Less Overseas, Sell More Over Border

MONTREAL (Staff) — Fewer ECA dollars for aluminum purchases in Canada looms as a distinct possibility, following protests of U.S. aluminum-users over high prices charged by European countries for aluminum scrap.

It is said that 45 million lb. of European aluminum was sold in the United States in five months. U.S. buyers say European countries are buying aluminum ingot from Canada at 16 cents lb. and exporting it in the form of scrap but charging 50% to 70% above the U.S. domestic price. It is reported that ECA has stated it has taken steps to stop the practice and that United Kingdom has agreed to cut down its Canadian buying by the amount sold to United States.

United Kingdom has been an exporter of Canadian aluminum for some time. It is understood that a substantial part of its 416 million lb. contract placed in 1946 and of the new contract placed early this year with Aluminum Company of Canada was intended for export. Canadian exports of aluminum to the United Kingdom so far this year are up to 92% over 1947 and totaled 282.2 million lb. up to the end of October.

Could Easily Resell

DBS export figures for October show that 23,366,400 lb. of aluminum exported in that month to United Kingdom had a value of $3.2 millions or slightly more than seven cents lb. To this would be added shipping and handling charges. However, metal men here say that at that price United Kingdom could undoubtedly resell it profitably to the currently strong U.S. aluminum market.

As reported last week (The Financial Post, Dec. 4) ECA authorizations for aluminum purchases in Canada by the United Kingdom totaled $33 millions up to the end of 1948. Forward commitments by ECA for the first two quarters of 1949 totaled $10 millions.

This latter figure, however, is still conjectural, since Congress has not yet officially authorized expenditure beyond April 1. For this reason it is believed that if U.S. aluminum buyers exert any kind of political pressure, the forward commitments for aluminum may be cut back.

Doubt Canada to Suffer

From the standpoint of Canadian aluminum sales, however, it is unlikely that current U.S. protests will have any dire effect. It is pointed out that the very fact that U.S. buyers are willing to pay the high prices for European scrap, indicates an acute scarcity. Thus if purchases from Europe are reduced due to ECA action, it is reasoned that United States would likely turn to Canada to meet the shortfall.

Also, it is believed that U.K. exports to United States represent a comparatively small percentage of total U.K. purchases from Canada. Of the 45 million lb. shipped to United States from Europe between April and September only about half, or around 20 million lb. came from the United Kingdom. This would be less than one-fifth of U.K. imports from Canada, over the same period.

Traders' Building Asks Stock Be Exchanged

Traders' Building Association, Ltd., Winnipeg, has advised shareholders that on and after Dec. 20, 1948, all references to its capital stock will be on the basis of new shares. It asks that all old stock certificates be forwarded to the secretary, G. A. Holman, at once for cancellation and issuing of certificates covering the new shares.

In accordance with supplementary letters patent dated Nov. 24, 1948, the Association's shares, each formerly of $100 par value, were subdivided into five shares each of $20 par value. Total capitalization remained unchanged. Shareholders approved the move at the annual meeting on Nov. 9.

B. A. Oil Producing Earnings For Nine Mos. Top All 1947

Exploration, production, reserves and earnings of British American Oil Producing Co., wholly owned U. S. operating subsidiary of British American Oil Co., are currently at the highest point in history, the prospectus covering the additional issue of British American Oil Co. preferred stock states.

The profits of the wholly owned U. S. subsidiary for the nine months ended Sept. 30, 1948, are in excess of those for the year ended Dec. 31, 1947, the auditors of the U. S. subsidiaries report. Profit of the wholly owned U. S. subsidiaries was $4,030,961 in 1947.

This wholly owned subsidiary was producing approximately 16,500 barrels of crude oil per day as of Sept. 30, 1948, exclusive of approximately 5,100 barrels per day for account of others. This would make a total gross production of approximately 21,600 barrels per day from some 456 wells located in the states of California, Illinois, Kansas, Mississippi, Oklahoma, Texas, Wyoming, Louisiana, New Mexico, Montana and Arkansas.

The developed and proven gas reserves of this subsidiary total 178,075,000 m.c.f. as at Sept. 30, 1948.

The net reserves of the producing company, available to the parent company, totaled 66.8 million barrels at Sept. 30, 1948, as compared with about 9.5 million barrels 11 years previously.

Earnings Up Pref. Offered For B. A. Oil

Consolidated net profit from Canadian operations of the British American Oil Co. for the nine months ended Sept. 30, 1948, amounts to $3,446,526. This is equivalent to $1.15 an outstanding common share, after allowing for nine months dividend requirements on the outstanding preferred.

Consolidated net profit for the Canadian operations for the year ending Dec. 31, 1948, is estimated at not less than $4,700,000. This is 14.3% higher than the 1947 net profit of $4,111,479. In 1947 the net profit was equivalent to $1.47 a common share.

This is disclosed in a prospectus covering the offering of an additional issue of $5 million British American Oil Co. 3¾% cumulative redeemable sinking fund convertible preferred shares, par $25, by A. E. Ames & Co. at $25.25 a share.

Proceeds of the issue will be used in reduction of bank borrowing incurred in part to meet expenditures on the company's new Montreal East refinery.

The construction of the additional facilities at the Montreal East refinery are well on schedule, the prospectus states. The crude oil distillation unit should be in operation by August, 1949, and the whole plant in operation in the last quarter of 1949. The company is expanding the plant capacity from about 15,500 barrels to 32,000 barrels a day and is building a catalytic cracker there.

Capitalization outstanding, after giving effect to the financing will consist of $6,400,000 2½% serial debenture due Sept. 1, 1949-56; $12,000,000 2⅞% serial debentures due Sept. 1, 1957-66; 600,000 shares of 3¾% preferred stock, par $25, and 2,772,642 no-par-value common shares.

The company now has approximately 18,600 common shareholders and 2,050 preferred shareholders of whom 96% reside in Canada with representation in all provinces. These Canadian shareholders own approximately 77% of the outstanding common and 83% of the outstanding preferred shares, the company states.

Int. Paint Sells $300,000 Issue

MONTREAL (Staff)—New issue of $300,000 3½% serial debentures of International Paints (Canada) Ltd. has been sold privately through McLeod, Young, Weir & Co., it is announced the debentures mature $30,000 per year from Dec. 1, 1949-58. Price was 99.75, or a total of $299,250.

Proceeds are for construction of a new varnish plant at Montreal to replace the present one, which was originally the factory of the Holland Varnish Co. Earlier this year, company brought into operation a new varnish plant at Vancouver.

Construction of the New Montreal plant will virtually complete the company's modernization program, started two years ago, J. H. Davey, president and managing director, informs The Financial Post. Company has already spent $300,000 out of earnings on the program including a new boiler plant and remodeling of properties on Hutchison St. for shipping and storage purposes at Montreal, the new varnish plant at Vancouver and new machinery.

Although there has been some slowing down of sales in certain lines, earnings for the fiscal year ended Sept. 30, 1948 are expected to approximate those of the previous year ($188,181, equal before participation to $4.48 per preferred share), The Post understands.

Southern Canada Sells Bond Issue Of $2.5 Millions

MONTREAL (Staff) — New issue of $2.5 millions of 3¼% first-mortgage bonds, series C, of Southern Canada Power Co. has been sold privately through Nesbitt, Thomson & Co., it is announced. Price was 101.35 to yield 3.42%.

Bonds are dated Dec. 1, 1948, maturing July 2, 1976. Proceeds are for general corporate purposes. First mortgage bonds of company now outstanding total $8.5 millions.

See Beauharnois Valuation Ruling Due Next Week

MONTREAL (Staff)—Decision is expected Dec. 14 on a motion by minority shareholders of Beauharnois Light, Heat & Power Co. that only the revenue of the company should be considered by the Arbitration Board. They also submit that compensation to be paid them by Quebec Hydro Commission should be based on the capitalized value of that revenue.

Real value of the company was the invested capital or the assets divided by the number of shares; and it was on this value that compensation should be based, Joseph Gingras, counsel for Quebec Hydro, contended.

Argument on the motion before the Board has been concluded. A date is expected to be set for hearing of expropriation proceedings, when the judgment is announced.

Mercury Mills To Split Stock

Shareholders of Mercury Mills Ltd. will be asked to authorize a 3-for-1 split and an increase in the common stock at a special general meeting planned for Dec. 21, The Financial Post understands. Directors have already approved a bylaw calling for a 3-for-1 stock split and an increase of 200,000 shares in the authorized common. As there are 100,000 common now authorized the company will have authorization for 500,000 new common shares, if and when the bylaw is approved.

Mercury Mills capitalization now consists of the 100,000 authorized 94,550 issued no-par-value common shares.

A quarterly dividend of 45c a common share has been declared payable Feb. 1, 1949, to shareholders of record Jan. 15, 1949. This would indicate an annual rate of $1.80 a present common share as against $1 a year previously, and is equivalent to a rate of $1 a share. It would also indicate an annual rate of 60c on the new common shares.

HUGH MALARTIC MINES has acquired an undivided 12½% interest in a petroleum and natural gas reservation, which covers approximately 140,000 acres, for 200,000 shares. By Dec. 1 agreement Dunlo Investors has underwritten 100,000 shares at six cents, payable forthwith. Upon issue of the 300,000 shares, issued capital will be 3,235,006 shares.

CSL Planning $3 Million Issue

MONTREAL (Staff)—Offering is expected soon of $3 millions 4% 18-year first mortgage bonds of Canada Steamship Lines Ltd. by Wood Gundy Corp. Offering price is indicated to be 99⅜ to yield 4.05%.

Proceeds are for construction of two freighters now being built at Collingwood and Midland, Ont. The ships will be 18,000 deadweight tons.

Earnings for 1948, before interest and depreciation, are expected to total $6.3 millions, an increase of about $200,000 over last year, a company official told The Financial Post. Net profit in 1947 was $708,797, equal to $3.09 a share on the preferred and 45 cents on the common.

Brazilian Trac. October Revenue Shows 9.7% Rise

Estimated net revenue of Brazilian Traction, Light & Power Co. for October was up 9.7% from same month of 1947 at $2,619,879. Aggregate net revenue for the first 10 months of 1948 is up 6.39% from same period last year. Sharply increasing costs continue to reduce the over-all earnings improvements.

Oct., 1948	1948	1947	Increase %
Gross earns. ...	$8,990,749	$8,021,786	12.08
Less: Oper. exp., deprec., etc.	6,370,870	5,633,537	13.09
Est. net. rev. .	2,619,879	2,388,249	9.70
Aggregate net revenue for 10 mos.	22,709,825	21,345,904	6.39

— All figures are subject to final adjustment when annual accounts are made up.

MANUFACTURERS

We are prepared to distribute your merchandise to Dealers in Northern Alberta and possibly the whole of Alberta if satisfactory arrangements are made.

BOX 260, THE FINANCIAL POST, TORONTO

EXPERIENCED WORKING EXECUTIVE

Available for your business, will make capital contribution and inject new life into sales organization, has background of both export and domestic business operations, experience in accounting and public relations, wide connections and can provide top flight references.

Apply "ADVERTISER"
c/o McKim Advertising Limited
320 Bay Street, Toronto 1.

WESTERN OIL FIELDS

. . . are as close to you as our Nearest Branch

The successful drilling results now being obtained in the Western Canada oil fields have focused attention on securities of companies holding leases on proved or potential oil-bearing areas. Investors who wish to participate in the development of these areas through the purchase of oil securities are invited to use our comprehensive facilities. Our Branches are in constant touch with news from the oil fields; our direct private wire system, with connections at Winnipeg, Calgary and Vancouver and our associate in Edmonton, enable us to offer fast quotations and prompt execution service in these important oil security trading centres.

Telephone our nearest office

Hugh Mackay & Company

Montreal Stock Exchange
Members: Montreal Curb Market
Vancouver Stock Exchange

MONTREAL

Montreal • Halifax • Saint John • Ottawa • Cornwall
Toronto • Vancouver • London, Eng.

***Classified* ADVERTISEMENTS**

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

POSITIONS AVAILABLE

PLUMBING & HEATING SALESMAN

HERE IS AN OPPORTUNITY for a progressive salesman who would like to better himself—one who is fully experienced and conversant with the plumbing and heating trade.

Applicant must be able to estimate all phases of plumbing and heating. Capable of selling to building industry and general public.

Reply in own handwriting, state fully, education, experience, age, and salary expected.

This is an excellent opportunity for the right man to progress with a large established plumbing and heating contracting company. Our staff have been advised of this advertisement. Box 247, The Financial Post, Toronto.

SALESMEN or potential salesmen to join expanding Canadian Company manufacturing municipal services equipment. Should be anxious achieve income of $10,000 after first year. Age 35-40. Ability to meet public officials. Car required. Salary expenses and commission. Give fullest particulars first letter. Write Box 237, The Financial Post, Toronto.

PROFESSIONAL HELP WANTED

ESTABLISHED manufacturing company in Toronto requires a mechanical engineer immediately to lay out and plan new building in the Toronto area. Opportunity for permanent employment. Reply, stating age and experience. If possible attach a recent photograph. Box 258, The Financial Post, Toronto 2.

POSITIONS WANTED

SECRETARY—MALE. Do you need an extra right hand? Competent, quick-thinking, energetic; senior matriculation, honour secretarial graduate, 2 years commercial teacher. Experienced correspondent, office appliances, accustomed to responsibility. Veteran pilot, age 28. Box 245, The Financial Post, Toronto 2.

REAL ESTATE

OFFICE BUILDING

A real investment; 90 miles from Toronto in strategic and thriving resort and manufacturing centre; solid brick covered with stucco; stone trim; at corner of town's main intersection; handsome detached structure; modern in every respect; fully occupied with exceptionally high-class tenants; one office available for new owner; 9 offices and self-contained apartment; 3 full size bathrooms; basement with hot water boiler, oil burner and circulating pump. Price $29,500; pays about 12% return under present tenancies; reasonable terms to responsible purchaser. Exclusive listing.

FRED H. REID, BROKER
Featuring Vacation Properties
1 Toronto Street WA 6302

BUSINESS OPPORTUNITIES

ACTIVE or silent partner wanted by old established manufacturer and distributor requiring $50,000 additional capital covered by preferred and 25% total, common shares. Box 252, The Financial Post, Toronto.

Simpsons, Limited

The business of Simpsons, Limited, established in 1872, has an impressive record of earnings, showing an operating profit in every year as far back as records go.

Department store sales in Canada during 1948 have recorded advances over comparable periods last year, which are being reflected favourably in Simpsons, Limited earnings. We offer as principals:

Simpsons, Limited Class "A" Shares

Price: At the market, about $29 per share, to yield 5.17%

Mail or telephone orders receive prompt attention.

Wood, Gundy & Company
Limited

Toronto Montreal Winnipeg Vancouver
Ottawa Hamilton London, Ont. Kitchener
Regina Edmonton New Westminster Victoria
New York Halifax London, Eng.

COMPTROLLER

Large manufacturing and distributing organization with head office in Montreal requires experienced comptroller, chartered accountant age 35-45 preferred. Position will carry minimum salary of $10,000 per annum. Replies will be treated confidentially and references and photographs returned. Our staff has been advised of this advertisement.

APPLY BOX 259,
THE FINANCIAL POST, TORONTO

$100,000

Available for the purchase of an established business by two men, one, a production and methods engineer, the other an experienced sales executive.

Would prefer to purchase outright or into a business allied to the paper or lumber industry, but would consider other lines. Needless to say, any discussions will be in the strictest confidence.

NORMAN S. BROOKE, MANAGER
INDUSTRIAL DEPARTMENT GUARDIAN TRUST CO.
618 St. James Street, Montreal, PLateau 8251

REAL ESTATE

RESIDENCES LANDS COMMERCIAL BUILDINGS

W. H. Bosley & Co.

Toronto's Leading Real Estate Brokers

28 ADELAIDE WEST
WA. 1031

APPRAISALS

For industrial or commercial appraisals and confidential real estate reports consult our Business Property Department.

Chambers & Meredith LTD.

24 KING ST. W., TORONTO
Plaza 3921

Member Toronto Real Estate Board

WHAT'S AHEAD?

Thousands of leading executives protect themselves by keeping posted on the outlook for business reported in

THE FINANCIAL POST

By mail, $5 per year

GIBSON BROS.

Established 1910

REAL ESTATE BROKERS

INDUSTRIAL — COMMERCIAL — RESIDENTIAL

PROPERTY MANAGERS
VALUATORS

357 BAY ST., TORONTO 1 ADelaide 0685

J. A. Willoughby & Sons

INDUSTRIAL & CITY PROPERTY

SPECIALISTS IN BUYING AND SELLING

ESTABLISHED OVER 40 YEARS

Downtown 156 Yonge St. TORONTO Uptown 1 Heath St. W.

CONSULT
A. E. LePage
REALTOR

ESTABLISHED OVER 35 YEARS

Commercial and Industrial buildings and acreage—city and town homes—apartments—farms—summer properties—country estates—also Vancouver, Victoria and British Columbia properties.

TORONTO OFFICES

Head Office — 320 Bay Street — AD. 3661
Kingsway Office—2832 Bloor W.—LY.7583
North End Office—1945 Avenue Rd. MA. 4451

For nights and holidays see salesmen's names and telephone numbers in the telephone directory under A. E. LePAGE.

TOWNSHIP OF BARRIE

Sealed tenders addressed to the undersigned and marked "Tenders for debentures," will be received by the undersigned up till midnight, Friday, December 17th, 1948, for the purchase of the following debentures:

Fifty-five thousand dollars ($55,000.00) 3¾% twenty-year or fifteen-year serial debentures, dated January 1st.

Interest and principal payable at the Bank of Montreal, Tweed, Ont.

These debentures are issued for Public School construction which have the approval of, and draw a 90% grant from the Department of Education.

Highest or any tender not necessarily accepted.

RALPH C. THOMPSON,
Clerk-treasurer Twp. Barrie,
Harlowe, Ont.

OIL RIGHTS AVAILABLE IN ALBERTA

Several large blocks of potential oil land acreage available. Well located on different Alberta structures. Open for deals of development nature. For particulars and locations write

Box No. 256
THE FINANCIAL POST,
TORONTO

ENGINEER WANTED

Engineering sales company located in Montreal, who manufacture and distribute various specialties, desires the services of a Mechanical or Electrical Engineer for the planning and development of new products.

Please give an outline of your experience and state salary desired, etc.

Box No. 242,
The Financial Post, Toronto

ORDER YOUR XMAS BOOKS FROM
BURNILL'S BOOKSHOP
100 Yonge Street, Toronto 1
MAIL ORDERS POSTPAID

BARRIE, ONT.
NEW BUILDING 30 x 60.
Would suit small manufacturer.
Box 255
The Financial Post, Toronto
or telephone
4252 — Barrie

$15,000

Required for purchase of additional equipment to enlarge existing plant. Volume of business assured to warrant expansion. Replies strictly confidential.

BOX 251,
THE FINANCIAL POST, TORONTO.

GENERAL BOND SHARES
OF
GROUP SECURITIES, INC.
Incorporated 1933
For Prospectus, Write
Your Investment Dealer, or
Distributors Group, Incorporated
63 Wall Street
New York 5, N. Y.

IN CANADA—NOW!

THE London Daily Telegraph now comes winging its way into Canada each day—bringing Canadian readers news of current events fresh from London!

In The Telegraph's astutely edited columns, read what is the real trend of business; where nationalization will pounce next; who are Britain's key men. Read also the European slant on ERP and the North Atlantic alliance.

This Air Edition of Britain's most widely read "serious" newspaper carries with it a world-wide reputation for sound news reporting and interpretation.

SPECIAL 8-WEEK TRIAL SUBSCRIPTION

Now in effect is a low-priced 8-week trial subscription to the Air Edition of The Daily Telegraph for only $5—less than .10c a day!

WM. DAWSON SUBSCRIPTION SERVICE LTD.
60 Front Street West — Toronto.

Send me the Air Edition of The Daily Telegraph for a trial period of 8 weeks.

Name ....

Address ....

....

☐ I enclose payment of $5 ☐ Bill me

Broker-Dealers to Police Flamboyant Stock Dodgers

Flamboyant stock sales literature issued by a limited number of non TSE member brokerage firms has caught the eye of the Broker-Dealers' Association of Ontario which at the last meeting of its board of governors passed a resolution requiring members to submit all sales literature to the Association before issuance to the public.

This action brings the Broker-Dealers' Association in line with the Toronto Stock Exchange which already requires that its members submit all literature before release to the public. It is expected that in the near future the Broker-Dealers' Association will also request the Ontario Securities Commission to make submission of literature to the Association a regulation under the Brokers-Dealers Act. However, even without the proposed regulation, the Broker-Dealers' Association has enough authority under its act to undertake the required policing, it appears.

The Broker-Dealers' Association, just completing its first year of existence, has to date held 31 meetings of its Board of Governors. Membership has grown to 183 members and 192 associate members (salesmen of members), the members including 31 members of the Toronto Stock Exchange.

Good Auditing Requirements

A feature of the Broker-Dealer organization as at present constituted is a system of auditing which is believed to be superior to that previously existing for non-member firms. A fixed audit—on Nov. 30—is required by an auditor selected from an association-approved panel of accountants. Statements will then be submitted to the Association auditor for a further check on the individual firm's financial standing. A surprise audit is also called for each year, the same as is required by the Toronto Stock Exchange.

A recent Association bulletin revealed that the Association has been active in disciplining members who have been found guilty of unethical conduct or malpractice. Action was reported in four cases as follows:

1. An associate member was found guilty of unethical conduct and fined $100 for improperly calling at a residence for the purpose of trading in a security.

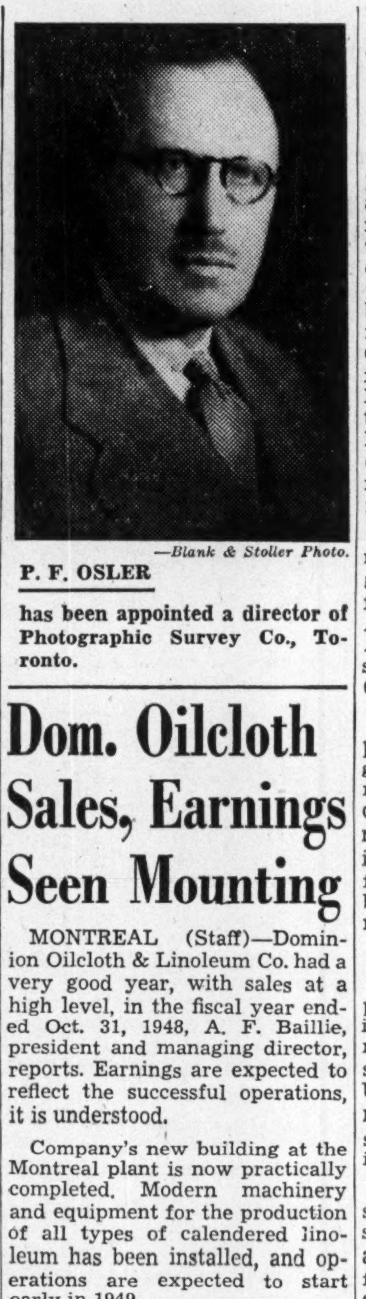
2. A member was found guilty of unethical conduct and fined $50 for failing to ensure that one of his salesmen was familiar with provisions of the Ontario Securities Act. The salesman had been employed for a period of about three years and knew very little of what was required under the Act.

3. An associate member was found guilty of unethical conduct and fined $100 for improperly making a written representation that he would repurchase a security after 30 days for the purchase price if the purchaser was not satisfied.

4. A member was found guilty of unethical conduct and fined $100 for having made an unconscionable profit as to the pricing of certain bonds sold to an elderly lady. The member saw fit to return part of his profit to the woman before the Board imposed the fine.

In addition, it has been found necessary to given certain other members and associates warnings with respect to their activities.

Election of the Board of Governors for next year is expected to be completed shortly. Annual meeting of the association will be held at the King Edward Hotel, Toronto, Jan. 8, 1949.



—Blank & Stoller Photo.

P. F. OSLER

has been appointed a director of Photographic Survey Co., Toronto.

Dom. Oilcloth Sales, Earnings Seen Mounting

MONTREAL (Staff)—Dominion Oilcloth & Linoleum Co. had a very good year, with sales at a high level, in the fiscal year ended Oct. 31, 1948, A. F. Baillie, president and managing director, reports. Earnings are expected to reflect the successful operations, it is understood.

Company's new building at the Montreal plant is now practically completed. Modern machinery and equipment for the production of all types of calendered linoleum has been installed, and operations are expected to start early in 1949.

Tight raw material situation existing earlier in the year has eased somewhat, Mr. Baillie told The Financial Post. The company has been able to reduce prices somewhat through its increased production; and it is expected that a greater variety of grades and designs will be produced next year.

Net profit for the fiscal year ended Oct. 31, 1947, was $1,329,244, equal to $1.70 on the combined common and deferred stock.

Pulp, Paper Surplus Seen As World Parley Called

MONTREAL (Staff) — A surplus capacity in the world's pulp and paper industries should be forestalled. That appears to be the basic reason underlying the calling of a conference of pulp-producing countries, announced by Resources Minister MacKinnon this week. Sponsored by the Canadian Government the conference will be held under the Food and Agriculture Organization of United Nations next March, in Montreal. Nineteen countries are expected to be represented, along with observers from other countries.

While the Canadian Government will be the official host, a good part of the preparation will fall to the Canadian Pulp & Paper Association. It is understood the Association was one of the active sponsors of the calling of the Conference.

Mr. MacKinnon said the main purpose of the meeting will be to give experts an opportunity to review the world position and to decide whether any steps are needed to achieve, both for the immediate and the more distant future, the necessary equilibrium between supplies and requirements.

Supply Nearer Demand

Two factors provide an important background: (a) present indications that supply and demand are coming into balance in some countries, particularly United States. (b) a trend in many countries, due to dollar shortage, to become self-sufficient in pulp and paper production.

In United States, pulp and paper sources indicate that the critical shortage of most lines of pulp and paper is now past. Orders for all pulp and paper products, except newsprint, in October in United States were below production, and the backlog of orders decreased 2%. In addition, United States has cut back its imports of Swedish pulp substantially. In September U. S. imports from that country were down 62% from the previous month and 69% from 1947.

In addition to the easing in the supply position, the world shortage of dollars has stimulated construction of pulp and paper mills in countries which have not until recently been considered as producers. India, Brazil, Australia and New Zealand are a few of the countries which have plans afoot to increase their domestic production of both newsprint and other paper grades.

At present this trend means little to Canada; but new construction, if carried to much greater proportions, could have an important influence on Canadian pulp and paper markets; and it is recalled that Canada has before been afflicted with surplus capacity.

It is possible that Canadian manufacturers will advocate an approach to the world paper problem on a regional basis. By this method it would likely be reasoned that Canada, for example, should be responsible for its natural market in North America, Scandinavia, etc. Another possible approach is that the pulp and paper importing countries would submit their requirements. These could then be checked against potential capacity of producing countries.

Pembroke Elec. Bonds Offered For Expansion

Directors of the Pembroke Electric Light Co. have completed plans to increase the present capacity of its power plant at Black River to meet increasing demands for electricity in Pembroke and outside areas served, President W. R. Beatty states. Cost of the program is estimated at $800,000.

A new issue of $300,000 4¼% unsecured debentures dated Nov. 1, 1948, and due Nov. 1, 1968, are being offered publicly by the company at $100 and accrued interest. In addition on Nov. 1, 1948, $500,000 of 3¾% first-mortgage sinking fund bonds due Oct. 1, 1966, were sold to Sun Life Assurance Co. of Canada at $100 and accrued interest from Oct. 1, 1948. All the outstanding 2,500 shares of 7% preferred stock, par $100, were called for redemption at $110 and accrued dividend on Oct. 31, 1948.

Proceeds of the sale of the debentures and bonds will be used to the extent of $75,000 to pay the cost of purchase and installation of two Diesel engines and generators to be used as auxiliary generating units and to the extent of $725,000 in payment of the cost of increasing the generating capacity of the company's hydro electric plant at Waltham, Que., including acquisition of flooding rights and necessary changes to transformer stations at Waltham and Pembroke.

The company is extending its power house building to accommodate two new 3,000 hp. units, one of which is to be installed as soon as delivery can be obtained. A new steel pipeline, eight feet in diameter, is to be constructed to carry the water from the main dam to the new turbine in the powerhouse. Some alterations are being made to the dam. Property above the main dam along the shores of the Black River has been purchased to raise the water level of the river to provide additional storage in Black River itself. Water storage facilities are being improved at lakes where the company now reserves water. It is planning to build dams at other lakes where storage can be provided.

Changes to the transformer stations at Pembroke and Waltham will permit raising the transmission line voltage from 25,000 to 43,250 volts. Unfortunately there will be delays in obtaining deliveries, particularly new generators, and on this account the first new unit will not be ready to operate until late in 1950 or early in 1951, Mr. Beatty states.

The company is also installing two additional Diesel auxiliary units of 1,000 hp. each at Pembroke substation. It is expected that these two units will be in operation this winter.

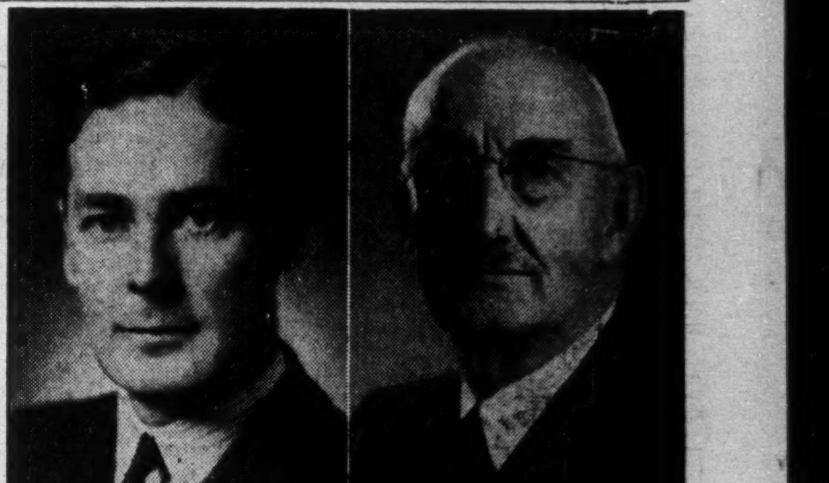
Net profit of Pembroke Electric Light Co. for the seven months to Aug. 31, 1948, amounted to $32,598, after depreciation and taxes. This compares with $64,906 for the fiscal year ending Jan. 31, 1948.

Capitalization outstanding on completion of the financing, will consist of $500,000 first mortgage bonds, $300,000 debentures; and 30,000 authorized, 12,500 issued, no-par-value common shares.

Directors are W. R. Beatty, president; D. R. Rogers, vice-president; C. J. Webb, secretary-treasurer; J. G. Forgie and Angus Meehan, all of Pembroke, Ont.

GOVERNMENT AND MUNICIPAL BONDS

BELL, GOUINLOCK & CO.
LIMITED
ESTABLISHED 1920
MONTREAL TORONTO WINNIPEG



L. P. ROBERTON, C.A. C. B. ROBINSON, F.C.I.

Mr. A. F. Baillie, President of Penmans Limited, announces the retirement of C. B. Robinson, F.C.I., after thirty-eight years of service as Secretary-Treasurer of the Company, and the appointment of L. P. Roberton, C.A. to succeed him. Mr. Robinson remains on the Board of Directors. *

COMPTROLLER WANTED

Large and progressive manufacturing company in Toronto district has vacancy for comptroller of executive calibre who must be capable of taking full charge of all accounting functions and have thorough knowledge of costing methods; preferably a chartered accountant, under 35, with some years industrial experience. Give full particulars in reply.

Box 249, The Financial Post, Toronto, 2.

EXECUTIVE ACCOUNTANT

Large industrial organization requires senior accountant of executive calibre. University graduate with a recognized degree in accounting preferred, and experience in costs essential.

Reply stating full particulars to

BOX No. 254, THE FINANCIAL POST, TORONTO, 2

Could YOUR company utilize this PROVEN EXPERIENCE

Accounting—Comptroller—Manufacturer's Representative—Market Research Expert—Export Advisor and Analyst—Company Organizer—Sales Manager—Trade Consultant.

If the answer is — YES —

The 33 year old man possessing these qualifications would like to come to terms with you. He will supply detailed information and references if you will kindly write to Box 250, The Financial Post, Toronto.

INCIDENTALLY,

This man has just returned from extensive travels throughout Africa, East Indies, U. S. A. and Canada—over two years of travel, study and arduous work.

WOODWORKING PLANT

Modern shop of approx. 15,000 ft. in Toronto area — does not involve real estate investment.

All heavy-duty equipment, motor driven, and in new condition. The shop has a well trained, capable staff for custom or production work.

BOX 253, THE FINANCIAL POST, TORONTO

See Inventory Battle Raging In U. S. Whisky

MONTREAL (Staff) — Is the current battle of the whisky inventories in the United States taking its toll of earnings of Distillers Corp.-Seagrams Ltd.?

That's a question many investors are asking following release of Distillers Corp.'s statement for the first quarter in its current fiscal year.

Net profit shown by the company for the three months ended Oct. 31 was down 41% from the corresponding 1947 period, ($11,302,411 compared with $19,128,585 a year ago.) Of the record $54,735,660 net profit for the year ended July 31, 1948, $38,398,579 or 70% was earned in the first half of the fiscal year.

That the inventory struggle is in full swing is indicated in a recent New York report of a $22-million-$35-million bulk transaction between Publicker Industries Inc. and Distillers Corp.

Another indication was to be found in President Samuel Bronfman's message to shareholders at the annual meeting last week.

"The need for ample stocks of maturing whiskies to meet the demand is of vital importance," he stated. "The increase in our investment in inventories places the company in a position over the years to meet the wide consumer demand established for its products."

Distillers Corp. for some time, it is reported, has been purchasing large quantities of whisky in bulk to support its record sales ($738 millions for the year ended July 31, 1948), and thus maintain its position of leadership in the U. S. industry.

Shortage of aged whiskies, however, has increased the cost of such bulk purchases. Trade sources say that Publicker received around $10 a gallon for the 2½-3¼ million gallons said to be involved in the deal. Earlier in the year, Distillers Corp. was reported to have purchased 8 million gallons of whisky and spirits for $40 millions.

While Distillers Corp, has had to build up its inventory through purchases from outside sources, its chief competitor, Schenley Distillers Corp. is said to hold the largest portion of U. S. whisky stocks over four years old. To increase its share of the declining U. S. whisky consumption, Schenley is said to be planning to promote public preference for straight whisky over blends, backed by its own strong aged whisky inventory and by the knowledge that Distillers Corp.'s production of its traditional blends depends on its ability to acquire the necessary aged whiskies.

Informed sources say Distillers Corp. requires about 18 million gallons of aged whisky annually to sustain its present sales volume. Thus the purchase from Publicker would represent approximately 15% of yearly requirements.

Those in the industry say Distillers Corp. will be pushed for sufficient inventories until well into 1949, when four-year-old postwar stocks will be coming of age. Choice is said to be between reduced production, purchase of high-priced bulk whisky or reduction of quality. During the war, the company chose the first of these courses.

Sumner Propane Plant Will Cost About $125,000

The new company, Sumner Propane Gas Ltd., has just received its charter, M. P. Fraser, its president, who is also vice-president of Sumner Co., the parent company, writes The Financial Post on Dec. 1. (See The Post, Nov. 13, 1948.)

Cost of erection of company's new plant at Victory Industrial Centre, Moncton, will be around $125,000, Mr. Fraser states. A tentative list of officers of the new company shows H. L. Hill, vice-president; J. K. McCafferty, secretary; and R. P. Dickson, and Miss R. Sumner, directors.

Pipe Scarcity Is Bottleneck For Alta. Oil

Scarcest item in oil-dizzy Alberta these days is pipe — all kinds of pipe from the 5½-inch and 7-inch (O.D.) casing used in oil wells to the 16-in. transportation line pipe used to bring crude oil from wells to the refineries. From fast-developing Leduc and Redwater fields, from Lloydminster and from a dozen or more mushrooming wildcat projects, has come a demand problem far outstripping supply resources.

At the moment there is not one Canadian pipe producer turning out types of casing which can be used in the Leduc and Redwater fields. Around 6,000 tons of such casing was used in the first half of this year but demand is increasing rapidly. Almost all this pipe must be imported from the United States or reclaimed from abandoned wells. The drain in U. S. dollars for the first seven months of this year amounts to $1,497,558 — would have been much greater if the pipe could have been obtained from steel-short U. S. mills. At the moment, casing is allowed into Canada duty-free.

Foresee Higher Demand

The situation in transportation line pipe, while tight, is not so critical. There is at least one large Canadian producer—Page Hersey Tubes Ltd. — in this field. When the company's new electric weld pipe mill at Welland, Ont., gets into operation the fall of next year, it is estimated that practically all domestic demand for these types of pipe can be met by the company, providing steel is available. That the demand will be far beyond anything ever witnessed in Canada, can be seen from the following announced plans:

Imperial Oil Ltd. is constructing a 500-mile pipeline stretching from the Leduc field to Regina. The line is already in the drafting stage and should be in operation by 1950, estimated cost $35 millions.

Imperial is also considering possibility of a pipeline to the Pacific coast to replace some California crude at present being imported. A pipeline to head of Great Lakes will also be considered if oil reserves are proven up. These two projects alone could mean orders for around 2,500 miles of transportation pipe.

This year two projected natural gas pipeline companies asked permission to transport Alberta natural gas — one to the West Coast and one east to Winnipeg. The natural gas pipelines are dependent on Alberta's permitting export of gas outside her borders, and a charter's being drawn up satisfactory to all parties. These two pipeline projects could mean another 2,000 miles of pipe.

NEW PACALTA OILS CO. has received $22,500 covering firm commitment on 300,000 shares. Issued capital—2,768,525 shares.

Northern Quebec Power Co. Plans Extra 12,000 h.p.

MONTREAL (Staff)—Northern Quebec Power Co., subsidiary of Canada Northern Power Corp., expects to have available an additional 12,000 hp at its Quinze River development early next summer, The Financial Post is informed.

Increase in capacity will result from raising of the head of the dam from 70 ft. to 90 ft. Following completion of this work, which was begun last spring, a new 35,000 hp unit is to be installed, with probable start-up in the summer of 1950. Total capacity will be approximately 80,000 hp double the 40,000 now available.

Earnings for 1948, although affected to some extent by the reduction in power deliveries due to drought conditions, should approximate those of last year, The Post understands.

Bulk of Sales Of Dist. Corp. Are for Export

MONTREAL (Staff) — More than 90% of Distillers Corp.-Seagrams Ltd.'s record sales ($738 millions) for the year ended July 31, 1948, were to consumers outside of Canada, President Samuel Bronfman reported to the annual meeting here last week.

The president said that in no other industry is it so essential for management to plan so far ahead.

"Whisky distilled today is not to be used until years later, after it has properly matured," he stated. "Accordingly, since the resumption of full-time production, our efforts have been directed toward building and augmenting our supply of quality inventories.

In Europe on a business trip, Mr. Bronfman said in his message, that in resumption of trade among free and unfettered people lies the hope of peace and prosperity: "As the productive potential of their skills and abilities in Europe is achieved, so will the exchange difficulties of many nations gradually become less pressing. The consequent stimulus to world trade undoubtedly will help to stabilize international economy and to promote a better understanding between nations."

Shareholders approved increase in numbers of directors from 10 to 11. Ellis D. Slater, president of Frankfort Distillers Corp., a U. S. subsidiary, was elected to the board.

FERGUS P. MALLON

Harrison & Company Limited announces the appointment of Mr. Fergus P. Mallon as manager of its Institutional and Municipal Departments. Mr. Mallon has been associated with Harrison & Compaiy Limited for many years, recently as Assistant Manager of the departments which he now heads. *

Bond Yields Remain Firm

The McLeod, Young, Weir 40 bond yield average on Nov. 30, 1948 was 3.42%, lower by .01% from the end of October. Averages for the 10 industrial and 10 utility bond issues remained unchanged; those for 10 municipal and 10 provincial issues were fractionally lower, moving from 3.52% to 3.50% and from 3.19% to 3.18% respectively. Movement of these averages reflected firm bond prices during November. Performance of the yield average for each of the four separate groups of bond issues comprising the composite 40 bond yield average, is summarized below.

	Dec. 1 1947	May 31 1948	Oct. 29 1948	Nov. 30 1948
10 Munic. ..	3.11%	3.44%	3.52%	3.50%
10 Prov. ...	2.81%	3.14%	3.19%	3.18%
10 Util.	3.30%	3.43%	3.46%	3.46%
10 Indust. ..	3.38%	3.46%	3.55%	3.55%
40 Bond Av.	3.15%	3.37%	3.43%	3.42%
Av. matur.	17 yrs. 8 mos.	17 yrs. 2 mos.	16 yrs. 9 mos.	16 yrs. 8 mos.
Dom. 3/66 ..	2.69%	2.95%	2.96%	2.94%

NEW THURBOIS MINES shares were listed for trading on the Toronto Stock Exchange Dec. 3. Ticker abbreviation is NTH. At the same time, shares of Thurbois Mines were removed from the trading list. Robert Slutzsky, Windsor, has underwritten 200,000 shares at 13 cents and 250,000 shares at 15 cents, all payable within two months; and has optioned 1,050,000 shares at 17½ cents to 35 cents a share. Upon issue of first block of 200,000 shares underwritten, issued capital will be 1.2 million shares.

Lower Quebec CPA Service Being Extended

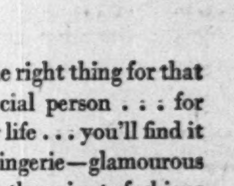
MONTREAL (Staff)— Air service to Quebec, the Saguenay and the Lower St. Lawrence has been stepped up by Canadian Pacific Air Lines, it is announced.

Three flights daily except Sunday, instead of two, are now being made from Dorval airport, Montreal, to Quebec. Present service of two flights daily from Quebec to the Saguenay has been increased to three on Thursdays and Fridays, and daily service will be maintained to Seven Islands via Forestville and Baie Comeau.

Connections with Rimouski Air Lines serve points between Baie Comeau and Seven Islands, Matane, Mont Joli and Rimouski. Connections at Seven Islands with Northern Wings serve Havre St. Pierre and all points between Seven Islands and Blanc Sablon.

Belgium's a boon...

to the perplexed gift seeker!



Just the right thing for that extra-special person . . . for the lady in your life . . . you'll find it at Belgium. Exquisite filmy lingerie—glamourous lounge wear—attractive up-to-the-minute fashions and accessories—sheerest hosiery . . . Belgium has everything to put stars in her eyes Christmas morning. And lest you should think that a mere male might have difficulty selecting the right gift . . . rely on the courteous, efficient help of Belgium's expert sales ladies. They will be delighted to give you fashion advice.

If the lady would prefer to make her own choice, a Belgium Christmas Gift Certificate is the inspired solution.

Belgium
Glove and Hosiery Canada Limited
Stores in Montreal, Toronto
and leading cities throughout Canada

The Editorial Page

Need Votes, Not Yawns

With the season of municipal elections upon us again and several by-elections brewing, cries of "get out the vote" and "vote as you like, but vote" are heard from press, radio, billboards and handbills across the nation.

To too many people such urgings evoke only a stifled yawn or a polite sneer, as though to say local politics were beneath their notice, too trivial to be bothered with. They feel they must hold the power of their franchise in reserve for general elections when matters of national import are at stake.

It's interesting after a local election to ask the people who are most vociferous about the "unsatisfactory" results whether they cast their ballot to produce results that would have satisfied them. How often that brings forth feeble excuses about not being able to get out to vote, or blustering comments about the matter of actually voting being "beside the point."

You'll hear none of this from CCFers or Communists. It doesn't matter to them whether "get out the vote" is a hackneyed phrase; to them, it's a vital part of their strategy. And they make sure to get out the vote that will be cast in their favor.

The CCF victories in three by-elections in the spring and the party's strong showing in Ontario were credited to their 365-days-a-year organizational work, their doorbell ringing, telephone calls, distributing literature, talking to people—all with a fervent conviction that swayed many voters with no Socialist background. But there wasn't any such persuasive pressure exerted on them by Conservative or Liberal party workers.

Dewey's astonishing defeat in the United States presidential election last month has been blamed to a large extent on the failure of the Republican organization to get to the polls the people whose votes would have meant victory.

"Get out the vote" is a phrase that may not contain the stirring glamor of "blood, sweat and tears" or similar historic war cries; but the political forces which take it literally and make it work are those which are entitled to pick up the reins of office the day after election day.

Now's Time to Push Sales South

Instead of trying to push more high prices and competitive food products on a reluctant Great Britain, Canadian agricultural officials now in session at Ottawa might better concentrate attention on the United States market. Lifting of the beef cattle embargo on exports in that direction a few months ago, has demonstrated the profitable possibilities to be expected. Not only have Canadian farmers gained a vital and lucrative outlet for their surplus cattle, but a very tidy sum in urgently needed American dollars has been credited to our international account.

With a little salesmanship, and the immediate removal of any continuing embargoes or other export restrictions, the experience with beef cattle could be repeated with many other agricultural products which Britain does not need but which Americans would buy freely. Dairy products are one example, and special lines like malting barley, seeds and processed products are others. We can't expect to sell the United States agricultural or any other products which Americans produce in abundance themselves. But even in farm lines and especially specialties like cheese, table turnips, bacon, etc., production in the two countries is far from identical.

At one time the United States took huge quantities of these things from Canada, but first tariffs, and later on abnormal war demand in Britain, interfered. Now the time has arrived for reopening and enlarging the old natural channels to the south.

During and since the war there was some hope that Britain could be induced to widen her market permanently for Canadian food products and particularly for the higher priced and more expensive kinds, such as meats and dairy products. That hope has pretty well evaporated. For wheat, some bacon, and a few other lines which Britain has always secured in Canada, Canadian farmers seem fairly assured of a steady and substantial overseas market, though not at fancy prices. But for beef, some dairy products and many specialties the British are returning more and more to prewar suppliers.

Ottawa would have been well advised to have heeded this change sooner. Ever since the end of the war we have had an unprecedented opportunity of greatly expanding our markets in the United States. True there might have been some upset to the domestic price structure, but, as the lifting of the cattle embargo proved, not nearly to the extent anticipated by some timid officials.

Eventually, as any competent observer will admit, price levels in Canada and the United States must come approximately together. Physically the two countries are too close to permit any substantial and permanent difference except at prohibitive cost in obnoxious regimentation.

We still have an opportunity to push more agricultural exports south but any substantial easing in American prices will make our sales job harder. We should be getting busy at once.

"Before the Doctor Comes"

Business and industry have a special as well as a community interest in the present $600,000 campaign being conducted across Canada by the St. John Ambulance Association.

This renowned order has made a remarkable contribution to industrial accident prevention, in addition to its fine record of public service in general, which should be testamented by the writing of cheques as well as the writing of glowing and deserved tributes.

The first aid skill of St. John-trained men and women in plants and offices has meant much in alleviating pain and lessening the severity of injury, for these volunteers are well trained in the invaluable art of "knowing what to do before the doctor comes."

Their work helps business; and business should help their work.

Keeping on the Right Track

Another cautionary voice was heard last week in reviewing Canada's present and future economic position. This was from H. D. Burns, president of the Bank of Nova Scotia, speaking in Halifax to the 107th annual general meeting of shareholders.

Here are some of the points Mr. Burns made:

"While 1948 has been another year of record-breaking activity, there has been growing evidence of a closer balance between demand and supply. There is no doubt that higher prices have checked consumer demand . . .

"The seemingly insatiable demands for our exports have also proven to have their limitations . .

"The days of excessive demands on our production and of rapidly rising prices have—at least until recently—appeared to be numbered."

The factor which is having an increasing influence on the economic picture and is giving renewed support to the waning forces of expansion, as Mr. Burns points out, is that of defense preparations. But while such preparations will undoubtedly stimulate activity in some parts of our business structure, they obviously will not sustain demand for all of our production, or obviate the necessity of price reductions in some fields.

Without new defense considerations, we were close to the peak of the postwar inflationary movement. As matters now stand, "we shall be well advised to maintain a questioning attitude in regard to the economic outlook."

One of the worst mistakes Canadian business and industry can make is to regard expenditures for defense as a normal and integral part of our economy, and to regard this source as an ordinary, rather than extraordinary, producer of business activity.

Application and further study of the sound ideas expressed by Mr. Burns will do much to keep Canada's national economy on the right track.

Justice or Revenge?

It may be difficult to convince public opinion of the justice of blowing up the mammoth drydock at Wilhelmshaven, Germany, the other day. If this is to be regarded as purely a military installation, then it will be asked why was demolition postponed until almost three years after the war. To many Germans, as well as others, the act must appear as wanton destruction or delayed revenge.

In somewhat the same category, too, will seem the recent hangings of German war criminals. Unquestionably these people were guilty, but why was their punishment delayed?

These criminals were apprehended more than three years ago and they are now being hanged for crimes committed four, five and six years ago. When justice moves as slowly as that, it runs grave risk of being completely misunderstood by the people we are trying to impress.

There is little hope of reclaiming any war criminals still awaiting the hangman, but life imprisonment would probably serve the ends of justice just as well. As for war installations still left, however, there must be some peacetime use.

Drydocks and factories are essential to German recovery and that recovery we must have if we ever hope for real peace in Europe. With adequate supervision by the occupying powers there is little to fear in that recovery and nothing in comparison to the terrible risk we run if we leave the country in ruins.

Success No Social Menace

The comments on the "threat to enterprise" made by B. C. Gardner, president of the Bank of Montreal, in his address to the annual meeting of shareholders, are a cogent contribution to the need of the business community for better public relations.

In discussing the desirability of more risk capital to promote further economic progress, Mr. Gardner pointed out that Canada has reached its present status because of the courage and foresight of individuals who had the vision of bigger things and the practical ability to bring plans to successful fruition.

He went on:

"We still stand in need of these qualities, but if they are to be forthcoming, we must see to it that the kind of enterprise that creates wealth and well-being is not held in low repute and that it obtains a reasonable reward.

"Sound and vigorous growth cannot flourish in an atmosphere in which the very qualities necessary to bring it about are regarded as undesirable. And no realistic appraisal of present-day conditions can ignore the fact that our system of individual enterprise is under attack. The Canadian people are being urged by doctrinaire socialists to abandon the forces of individual incentive and healthy competition in favor of widespread and permanent bureaucratic controls together with nationalization of major industries.

"We are, of course, being asked to take the benefits of socialism on faith, since it is an incontrovertible fact that the living standards achieved under our present system are the envy of nations subject to the bureaucratic yoke."

This is a point of view that businessmen cannot leave to be taken for granted, if present left-wing doctrines are to be convincingly disputed.

Good business practice is the basic essential of good public relations, says Mr. Gardner, "but at a time when opponents of private enterprise are vigorously spreading the idea that a well-run successful concern must *ipso facto* be a social menace, business must tell its story more completely, and in terms more readily understood by the man in the street, than it has done in the past."

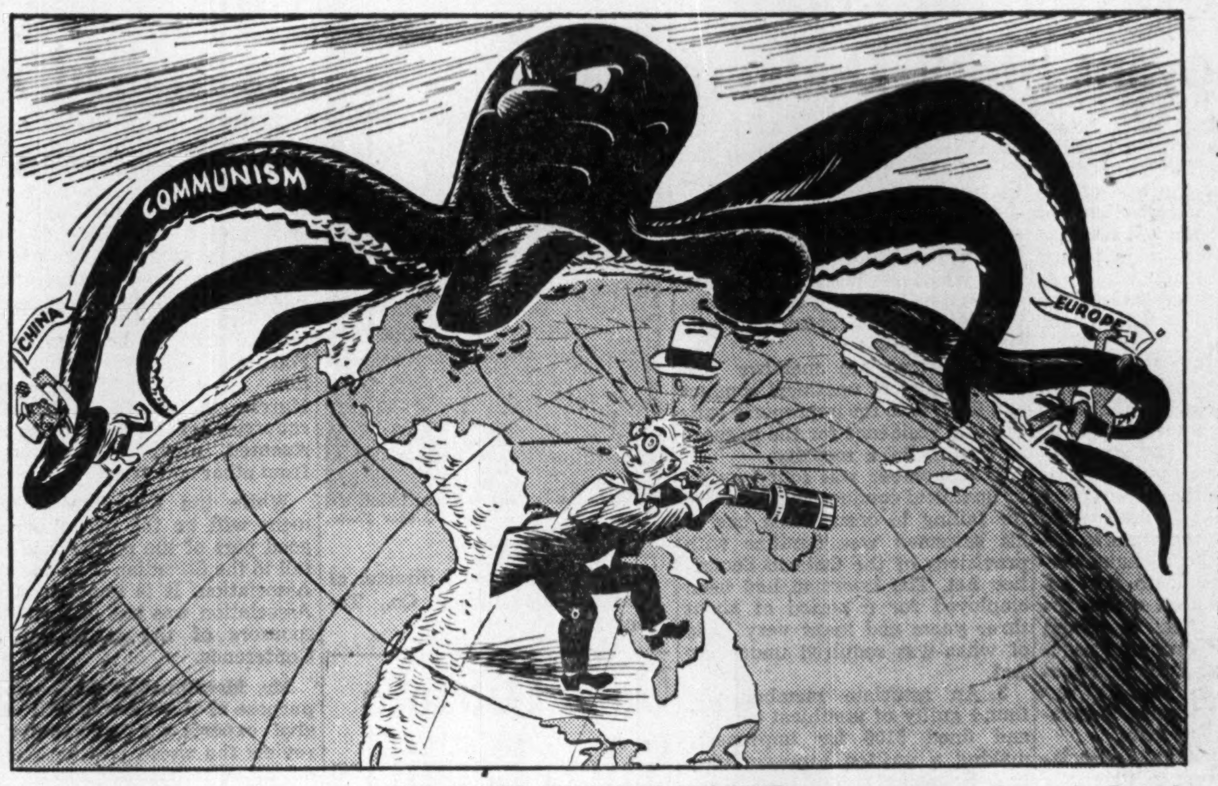
Peak Beef Prices Now, But –

Beef cattle prices in Ontario, states an official report, are now five times the prewar level. That is quite true, but sensational information of that kind is hardly fair to the farmer without the explanation that in years just before the war, prices were abnormally low.

During most of the 'thirties beef cattle prices in this country were at the lowest level in 25 years. Partly responsible was the general depression but cattle raisers faced another major handicap too. They lacked an adequate export market for most of this period. The Hawley-Smoot tariff of 1930 had almost completely shut off the U. S. outlet and British prices were too low to be of much assistance.

Conditions started to improve with the first reduction in U. S. tariffs in 1935, but it was not until fairly well into the war period that farm prices generally approached normal levels.

No matter what consumers may think of the enormous increase in those levels since that time, in fairness to producers they should remember the vastly different situation that prevailed not so many years before.



IT'S CLOSER THAN YOU THOUGHT

Cartoon by Grassick.

Napier Moore's

Scratch Pad

IT'S AMAZING how idle chatter can lead to fascinating discoveries. Take, for instance, the case of the Atomic Bomb and Polka-dot Dresses.

A neighbor of ours is an eminent skin specialist. The other day, watching him vigorously fork some elegant-looking manure into his vegetable garden, we commented on his energy. This led to a discussion of other forms of energy. Finally we got to atomic energy.

We said we supposed that by this time reports covering the effects on humans of the atomic bombs dropped on Japan had been correlated, and that no doubt, professionally, he had received much information. The doctor said he had. We asked if there was any crumb he could bestow upon us.

"Well," he said casually, "there was the matter of the polka-dot dresses."

Our eyes popped at that. He went on to explain. Examination of victims of flash burns revealed that the skins of women wearing polka-dot garments were marked according to the pattern. That is, on the skin there were circles matching the white dots. And those circles were not burned as were the body areas covered by colored cloth.

"That was interesting," said the doctor, "but, of course, fundamentally there was nothing new about it. You were taught at school that dark clothing absorbs more heat rays than does white clothing. That's why X-ray operators wear white. The structure of the X-ray and the atomic ray are basically about the same."

He wasn't willing to guess what might have happened if the victims had been completely enveloped in white. Distance of the person from the flash point meant much. But he must have noticed us fingering our polka-dot tie, for he added, "It is not impossible that science will find for humans some form of partial protection against atomic rays. However, if ever you are in immediate proximity to an atomic bomb flash, polka-dot or no polka-dot, white pants or no white pants, you'll be dead mutton in a very short time."

• • •

REPORTING THE FINING of a grocer, Marcel MacHabee, for violation of Foreign Exchange Control Board regulations, a Canadian Press dispatch tells of the unusual location of the MacHabee store. It straddles the international border at Dundee, Huntingdon County, Quebec. The shelves and goods are in Canada, but the customers' side of the counter is in Fort Covington, N.Y.

There are several such geographic oddities in that area. Rock Island, P.Q., and Derby Line, Vermont, are practically the same town. In it there used to be a house wherein the kitchen stove and half of the table were in Canada and the other half of the table in the U. S. The front door of the movie theatre was (and may still be) in the U. S. and the rear door in Canada. And in the early days of the war, when Canada was a belligerent and the U. S. wasn't, observance of regulations on both sides of the line caused many a headache.

• • •

IN MONTREAL last week we ran into Bob Parson, veteran reporter and an old Montreal Star colleague. The day before, Bob had celebrated the fiftieth anniversary of his entry into journalism. He showed us the indenture whereunder in 1898, in England, he was signed, sealed and delivered to The Devon and Exeter Gazette. Signed by three principals and three witnesses, the contract undertook to pay Robert Holmes Parson four shillings per week for the first year. As typed, the line read "four shilling and sixpence," but the "and sixpence" is carefully crossed out and initialled as an error.

There is hardly a member of any service club in Montreal who doesn't know Bob Parson. He figures that during the 35 years he has been with the Star he has listened to 20 million words at service club meetings.

Stop Me If –

He rounded a bend at close to 40. A sudden skid and the car overturned. They found themselves sitting together unhurt, alongside the completely smashed car. He put his arm around her waist, but she drew away from him.

"It's all very nice," she sighed, but wouldn't it have been easier to run out of gas?"

Post Scripts

Eastman From West

Morgan Eastman, new president of the Canadian Association of Advertising Agencies, is a fifth generation Canadian who wasn't born in Canada.

MR. EASTMAN

The anomaly, is explained by the fact that his ancestors were United Empire Loyalists who came to Canada in 1778. His parents decided to venture back into the rebel territory, and this gave him Minnesota as a birthplace. Since Eastman himself has since become a Canadian, the chain is unbroken.

He saw a lot of country in his early years. His education was in public schools in Minnesota and in the University of Valparaiso, Indiana. He played football at school, and later spent a year in professional baseball in the American West. At 19 he was on the northern B. C. coast, and after a time opened a men's clothing store in Prince Rupert. He sold out in a few months and became manager of a department store in the Okanagan Valley. These jobs gave him some taste for advertising, and, in 1919, he came down to Vancouver and opened his own agency.

The tourist industry got much of his attention in his Vancouver agency days. He was one of those instrumental in organizing the Pacific Northwest Tourist Bureau which embraces B. C., Washington, and Oregon. He also worked to interest the B. C. Government in tourist advertising. He acted in an advisory capacity to a committee of the Canadian Senate which recommended formation of the Dominion Travel Bureau.

During this period he was also active in community work. He was president of the Vancouver Rotary Club and a governor of Rotary International for the Pacific district. He was active in the advertising and sales bureau of the Vancouver Board of Trade.

It was in 1932 that he came to eastern Canada to become associated with the old-established agency of McConnell and Ferguson. The firm is now known as McConnell Eastman & Co., and Morgan Eastman is its vice-president at Toronto.

Since coming East, his own business has occupied more of his time, though he does manage to slip away on week ends and the occasional afternoon for a game of golf. He shoots in the middle 80s.

Outside his office his main sphere of activity has been with the Canadian Association of Advertising Agencies. He was chairman of an agency group which planned and created Canada's war-finance advertising.

He's married; has two sons, both of whom served 4½ years overseas. John, a former artillery captain, is now in advertising. Richard, former lieutenant in signals, is with a machinery manufacturing firm.

• • •

"Fighting Frank"

One of Canada's distinguished soldiers, Major-General Frederick Franklin Worthington, made his first speech last week about his new job. That new job is the civil defense of Canada, and the white-haired, stocky, 58-year-old pipe-smoking Scot who is known throughout the Army as "Worthy," is the national co-ordinator under the Minister of National Defense. General Worthington told the Conference of Defense Associations at Ottawa that "civil defense when stripped of its trappings is simply nothing more or less than self-defense." The problem today "is to plan, organize and translate into action the plans for our own self-preservation."

Fourteen months ago, when he retired from the Canadian Army after 34 years of soldiering, "Worthy" bought a house in Vancouver and looked forward to a few years of rest and relaxation. He took a trip to Mexico (where he had fought as a youth in the rebellion of the early 1900's) then, got himself some "community" responsibilities as chairman of the Cancer Fund and of the Citizen's Rehabilitation Committee looking after the needs of homeless veterans.

There wasn't nearly enough to do, when out of an otherwise clear sky came the tragedy of flood. Worthington whipped into action; raised $2½ millions at the remarkably low cost of $200 for expenses; then set about to spend and administer the money so as to best aid the homeless and jobless.

The pattern and problems of that spending are going to be a considerable help to Worthington in his new co-ordination of civil defense. For many of the same problems which might arise in a national emergency of the future, were faced in that recent provincial disaster. First there was food, then fuel, then medical problems, then clothing, and eventually the General found himself in the furniture business to meet the needs of the 8,000 victims of the B. C. disaster.

Right now, "Fighting Frank" is gathering material and experience for his new job. He's been studying the U. S. plans; will shortly visit Britain after he has conferred with authorities in each of the Canadian provinces. His objective is to get existing authorities in all parts of Canada to assume some share of responsibility rather than set up any new machinery.

Worthington was born in Peterhead, Scotland. He went to sea at 12, saw action in rebellions in Nicaragua and in Mexico; hurried to Montreal in 1914 to enlist as a private in the Black Watch.

His life work as a professional soldier has been in and around the armored vehicle. He's been called the father of Canada's Armored Division. As far back as 1916, he decided that armor was a more useful protective device than a woolen shirt; kept plugging at the problem until he got some tank battalions included in the Canadian army setup.

In 1938, he was put in command of of the Canadian Armored Fighting Vehicles School at Camp Borden; later took overseas the 1st Canadian Armored Brigade. In 1942, he was put in command of the 4th Canadian Armored Division. In 1945, prior to his retirement, he was GOC Western Command, the largest military territorial division, with headquarters at Edmonton.

• • •

Lion's Head

Fifteen years ago Walter Carl Fisher, then a young Queenston, Ont., fruit grower, accepted the suggestion of a few friends that he join the St. Catharines Lions Club.

MR. FISHER

Next July at New York, Fisher will be elected President of Lions International, chief of what is said to be the world's largest service club organization, with 7,000 branches in 24 countries and a growing membership of 365,000, 15,000 of whom are in Canada.

Fisher will be the second Canadian to hold the top office. First was Harry A. Newman, Toronto lawyer, president in 1924, seven years after Lions International was organized.

President of the St. Catharines club in 1941, Fisher was next deputy district governor, and in 1946, he was elected third vice-president of Lions International. His present office is that of first vice-president.

Fisher is already getting a taste of the work involved. Now engaged on a U. S. speaking tour, he expects his term of office next year will involve 150,000 miles of travel, including an overseas trip.

In business life, Fisher, now 42, is secretary-treasurer of C. Howard Fisher and Sons, a family organization which owns and operates a 100-acre fruit farm, below the shadow of General Sir Isaac Brock's monument at historic Queenston, bordering the Niagara River. Eighty acres of the farm is in peaches, one of largest peach farms in Canada.

The Fisher family have occupied the farm for 66 years and are peach growing experts. Walt's father, C. Howard Fisher, developed the famed Fisher peach, an early yellow variety in 1934.

Born at Queenston, Walter Fisher was educated there and at Niagara Falls Collegiate Institute, graduating from Ontario Agricultural College in 1926. He is married and has three children.

What Others Are Saying

Editorial of the Week

More Plain Speaking, Please

Vancouver Province

Canada's Minister of Finance who wound up the last fiscal year with a record-breaking surplus of $670 millions warns Canadians not to expect a repetition of the miracle. His surplus, this year, he says, will probably not exceed $500 millions.

That is provident financing, but it is dangerous financing, too, because Mr. Abbott has not explained his policy sufficiently to the Canadian people.

These think Mr. Abbott is going on, year after year, adding surplus to surplus and that he must have a terrific mountain of wealth by now.

As a matter of fact, there is no mountain of surplus revenue. Canada has had substantial surpluses for some years, but part of the accumulation has gone in loans to Great Britain and other countries, and a good deal has gone to reduce the national debt.

The money is used to better purpose in debt reduction than if it were piled up in a heap awaiting an emergency. It fills a hole in our credit and brings that credit up to a more respectable and satisfactory level.

We shall need that credit if even a mild depression comes. And we shall almost certainly need it for defense purposes.

Mr. Claxton, Minister of Defense, has already indicated that his demands will be large and there is no place for him to get the money except from Mr. Abbott.

The two ministers might get together and take the Canadian public into their confidence. The public would appreciate a little plain speaking on both defense and finance.

Other Peoples' Views

THERE IS BUT ONE TAXPAYER points out the **Printed Word.** "It sometimes seems as if municipal, provincial and federal taxing authorities were suffering from the delusion that they have three distinct sets of taxpayers to support them. The taxpayer needs to make a fight for the orthodox belief that there are not three taxpayers but one taxpayer, and he is rapidly going broke."

DEFENSE INTENTIONS should be made known, says the **Montreal Gazette.** "If the Canadian Government is fully determined to play its part in the proposed pact (as Mr. St. Laurent's statements undoubtedly suggest) then a greater frankness in admitting the practical obligations would seem to be desirable. If these obligations cannot as yet be stated in detail, they might, even now, be more fully emphasized in general."

WINNIPEG IS REPLACING TORONTO as the pet ogre of Western Canada, write James H. Gray in the **Windsor Star.** "Nobody seems to have much to say that is nasty about Toronto any more. Indeed, you can spend days touring around and never hear anybody say anything about Toronto. But this impression is indelible — Winnipeg isn't liked, if it is not in fact actually getting to be hated. Why this should be so is difficult to say."

FARM WIVES SHOULD REVOLT and insist that more money be spent on their homes, insists the **Farm and Ranch Review (Calgary).** "It's time farm women took a firm hand in the spending, and stopped accepting flimsy excuses why this year is not a 'good' year to get that long-wanted electric plant, bathtub and inside plumbing system. This is a 'good' year. It is a perfect year for the farm families of the West to start enjoying the decencies of life that their efforts have earned for them."

A $330 MILLION LOSS has been suffered by Canadian wheat growers as a result of the U. K. Wheat Agreement says the **Vancouver News-Herald.** "If Mr. Gardiner's idea had been to get the wheat away from the producers at the lowest price, he could not have been more successful. But that is the Russian way and we don't believe it should be the Canadian way. The costly results of this wheat gamble should serve as a warning against state trading schemes of bureaucrats and unbusiness-like politicians."

The Financial Post

Member Audit Bureau of Circulations
Member Business Newspapers Association of Canada

A weekly newspaper presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.

DOUGLAS M. GOWDY, Manager
RONALD A. McEACHERN, Editor

Charles C. Milne, Gordon L. Smith, associate editors; Clive H. Chattoe, construction industries editor; Gordon M. Grant, mining editor; James H. Joyce, investment editor; Donald G. MacLean, insurance and banking editor; Ronald Williams, industrial relations editor. Assistants: C. A. Bassett, W. L. Dack, W. P. Gillespie, N. J. O'Neall, Claude H. Taylor, Allan Yeates.

Ottawa: Kenneth R. Wilson, 260 Irving Avenue, 8-0847.

Montreal: Howard Gamble, Paul Deacon, Dominion Square Bldg., MA. 2331.

Corporation Records: Margaret Fitzgerald, Patricia Gadley, Mary Hill, Hazel Horgan, Albert G. Lang, Fraser Martin, Margaret Merwin, Wenonah L. Miller, Naomi O'Grady, Grace Osborn, Marjorie Scammell, Dorothy J. Smeltzer, J. R. Wilson.

Librarians—Ruth C. Margeson, Jean Reid.

Austin A. Weaver, advertising manager.

Melville M. Greig, circulation and promotion manager.

Advertising Service: Reg. V. Nicholls.

Montreal: Murray B. Chipman, eastern manager.

Subscription Terms: Single copies, 15c. Yearly: In Canada and British Countries (except Australia), $5; Australia, U.S.A., Mexico, Central and South America, France, Spain, $6; other countries, $7.

Advertising Rates: Single insertion, $4.90 per inch. Contract terms upon request.

Authorized as second-class mail, Post Office Department, Ottawa.

Other Publications and Services of The Financial Post

CORPORATION SERVICE, A. C. Bowman, manager. Special service for investors, $1.50 per company a year; complete service $23 monthly.

BUSINESS YEAR BOOK. Yearly $2.

SURVEY OF CORPORATE SECURITIES. Yearly $2.

SURVEY OF MINES. Yearly $2.

SURVEY OF OILS. $1.

DIRECTORY OF DIRECTORS. Price $8.

Printed and Published by
MACLEAN-HUNTER
Publishing Company Limited
481 University Avenue, Toronto 2

JOHN BAYNE MACLEAN, Founder and Chairman
HORACE T. HUNTER, President
FLOYD S. CHALMERS, Executive Vice-President
THOMAS H. HOWSE, Vice-President and Comptroller

Other MACLEAN-HUNTER Publications:

NATIONAL MAGAZINES: Maclean's Magazine, Chatelaine, Mayfair, Canadian Homes and Gardens.

BUSINESS NEWSPAPERS: Canadian Advertising, Canadian Machinery, Modern Power, Canadian Printer and Publisher, Canadian Trade Abroad, Industrial Progress, Canadian Shipping, Canadian Automotive Trade, Canadian Aviation, Bus and Truck Transport, Hardware and Metal, Canadian Grocer, Drug Merchandising, Canadian Bookseller, Canadian Stationer, Canadian Paint and Varnish Magazine, Painting and Decorating Contractor, Le Prix Courant, General Merchant, L'Epicier, Sanitary Engineer, Canadian Hotel Review, Fountains in Canada, Plant Administration, Style, Men's Wear and five business publications in the United States and Great Britain.

OTHER SERVICES: Canadian Press Clipping Service.

Other MACLEAN-HUNTER offices:

MONTREAL Centre 2: Dominion Square Bldg., Marquette 2331.
NEW YORK 18: 522 Fifth Ave., Murray Hill 2-7383.
CHICAGO 6: 309 West Jackson Blvd., Harrison 7890.
LONDON: Maclean-Hunter, Limited, Sun Life of Canada Bldg., Trafalgar Square, London S.W.1. Cable Atabek. Whitehall 6642-3.

Dec. 11, 1948

How To Make Your Business Grow—XII

When Volume in New Business Begins to Level Off Plans For Future Expansion Need Special Attention

By J. K. EDMONDS

Perhaps you are the proprietor of a new business, and have just got to the point where you can consider yourself well enough established to look around for new avenues of expansion. The battle to sink your roots in firmly is over, and the initial rapid rate of growth is beginning to slow down.

If you are in that position, there are some special considerations you might do well to bear in mind. The first of these is that it may be misleading to judge your rate of growth by your immediate past experience.

After all, there is a point at which your business reaches a degree of maturity; you've got all the easy increases that should follow establishment of a new enterprise, and have reached the same position as your older-established competitors.

The investigations you have made about how your growth rate compares with that of others in your field should give you some clue as to whether you have reached this stage, whether you are resting on a plateau rather than falling back.

Nature of Future Expansion

If you have just attained this kind of business maturity, your future expansion will be of a different kind from that you have been experiencing. While you were in the early growth stage (assuming there was a need for your product, or a demand for your services in the first place), you were expanding, so to speak, to fill a vacuum.

Proper conduct of your business, care not to make errors in business judgment, attention to inventory and financing, would keep volume on the upgrade. The customers were there; your job was to give them what they expected from a new firm, to build the business steadily along orthodox lines. (Even the most flamboyant opening publicity campaign is an orthodox approach to the problem of impressing consumers with the fact that a new firm is in the field.)

In a sense, expansion in the early stages of development of a business is a reward for negative virtue — avoiding mistakes, rather than attempting bold strokes of business policy. To grow after you reach maturity you'll need the kind of aggressiveness that led you into your own business in the first place, plus something more. Your business decisions will be likely to involve departures from the settled pattern of business you have been struggling so far to establish. Every increase in volume now will be the result of a managerial policy that is enough above average to put you ahead of the run-of-the-mill businessman in your line. In short, your decisions will involve more risk.

Consolidate Gains

For that reason, it is as well to make sure you have consolidated initial gains before you reach out for more. You'll want to watch financing like a hawk, not get in over your head. Financing charges seem to dwindle in comparison with volume during the steady initial growth of an enterprise; but when volume begins to flatten out, additional credit obligations loom pretty large.

If the new spurt resulting from your expansion policy is sufficient, of course, it will cover the costs of your added investment and then some. But the increased risk must be considered; it will be considered by any financial agency to which you turn for assistance at this stage.

It's equally possible for the proprietor of a new business to begin to throttle back too soon; to relax when he has only scratched the surface of the market he began to tap. After months or years of hand-to-mouth operation, he reaches a rate of turnover that covers his costs comfortably and pays him a reasonable salary. He's tempted to heave a deep sigh of relief and settle back to enjoy his gains.

If yours is a new business, don't judge your rate of growth by the initial spurt. You've likely had all the easy increases coming your way; from now on you will have to meet the direct competition of older-established firms.

Expansion in early stages is often due to avoiding mistakes, rather than bold strokes of business policy. Advancement when business maturity has been reached depends on decisions which may involve departures from settled patterns, if you hope to stay ahead of run-of-mill competition.

But it's important to make sure your early gains have been consolidated before you reach out for more. When volume begins to flatten out, financing costs need hawklike attention.

Before he does, he should take another close look at his business situation. If he settles down just to handle the business he's got and not bother too much about taking care of the rest of the potential demand for his goods or services, he may be issuing a copper-plate invitation to another firm to come in and do the job he's left undone.

That, too, would be all very well if the market could support two establishments comfortably — and if he could depend on the competitor taking his own share and no more. But there's always the possibility that the competitor, getting a foothold on the basis of the surplus business store X wasn't looking after, would go on and skim the cream off the market X was accustomed to serve.

You Must Know Market

What all this boils down to, once again, is the need to know your market thoroughly — and your own place in the market. Time spent analyzing the market situation with all the tools at your disposal will be likely to pay off at any stage. By such means, the proprietor of the recently established business venture may be able to achieve a sense of proportion that is usually the fruit of long business experience.

There are, of course, special problems facing the recently established business just now — in this moment of business history. Enterprises started during the war and post-war periods are only now coming up against conditions familiar to their longer-established competitors. Instead of bending their efforts to get hold of anything that could be called merchandise, buyers are having to exercise discrimination, to make those delicate guesses about what consumers will buy that are the real function of the middle man in modern business.

Price, almost ruled out as a factor in recent years, is now of paramount importance to producer, merchant, and consumer alike. Expansion plans of new business must be based not only on experience gained during a brief business lifetime, but also on the best possible estimates of the way in which these rapidly changing conditions will affect the firm.

Take a Backward Look

It's folly to suggest that history repeats itself, especially business history in a country like Canada where basic conditions have changed so much in the past 30 years; but thinking must start somewhere. A man or woman whose direct business experience is limited to the wartime and postwar years will find at least some value in looking into what happened to his or her type of business in the years between world War I and World War II.

For some types of business, detailed analytical studies are available in the better stocked central libraries. For many types, it will be necessary to look back to reports published at the time. The Canada Year Book, and other sources mentioned earlier in this series, provides business statistics stretching back to before World War I in many cases.

If this type of thing is not readily available, or doesn't seem to shed much light on the trend of business conditions in your own line, a few evenings spent browsing over old issues of your local paper, or of business newspapers and trade journals, will give you something of the feel of business conditions in the years before you were established.

Your investigations may reveal to you something of the course of business affairs during inflationary and deflationary periods, and how your own type of business is apt to react to either of these conditions. You may be impressed particularly by the need to keep inventory under tight control when buying to a rising market in which a break may be expected. You may note especially the desirability of paying off debts in "light" dollars — dollars that won't, because of inflation, buy as much as dollars earned with greater difficulty during recession.

When you've added up what information you can about the proper conduct of your business to ensure steady real growth during (a) a continuing inflation or (b) a recession, you will still, in company with your older-established competitors, be faced with the need to estimate when, if ever, the deflationary break will come.

You may note especially the desirability of paying off debts in "light" dollars.

New Plant Gives 16,750 hp. Extra To New Brunswick

MONTREAL (Staff) — Opening of new generating plant at Chatham, N.B., adds 16,750 hp. to the capacity of the New Brunswick Electric Power Commission, it is announced.

Power from the Chatham plant, which uses coal will serve the eastern part of the province, taking a considerable load off the commission's main plant at Grand Lake. Additional power is made available for central and southern New Brunswick.

Opening ceremonies were attended by Premier John B. McNair and other provincial officials.

More words . . . for your money

A. B. Dick Mimeotype* and Cellotype* stencil sheets mean top reproduction at the right price for all types of stencil duplicating.

The familiar blue Mimeotype stencil sheets are recommended for reproduction of fine detail drawings in both short and long runs. They are easily stencilized by typewriter or stylus . . . have good visibility during typing, proofreading, or when used on the A. B. Dick illuminated drawing board. *Mimeotype is the all-purpose stencil sheet for quality reproduction of forms, drawings and typing.*

Cellotype stencil sheets are primarily used for typing. Sharp contrast between the yellow stencil sheet and its blue cushion affords maximum visibility when typing. Good stylus work is possible by simply placing the sheet on a hard, smooth surface. *Specify Cellotype for short or long runs and for excellent reproduction of typing and handwriting.*

A B. Dick hard-set duplicating inks are permanent and rub-proof. They can be used on a great variety of weights, finishes and colors of paper or card stock including rag-content bonds, linenized tags, coated papers, vellums, and for two-side work on light-weight papers. A. B. Dick hard-set inks will not fade or deteriorate from adverse handling conditions involving oil, grease, water or weather.

Your A. B. Dick distributor also has hard-set inks in a wide choice of colors to add even greater effectiveness to duplicating work. Use color in bulletins, posters, news sheets . . . In charts, graphs, outlines.

See him today for complete information concerning hard-set and other A. B. Dick duplicating inks. You will be surprised how you can keep costs down and reproduction quality up by using the right ink for the job.

Many new A. B. Dick mimeograph supplies and accessories are on the way. For use with all makes of suitable stencil duplicating products. Watch for them . . . They mean even greater duplicating economy at still lower cost . . . More copies, more words for your money.

*REGISTERED TRADE-MARK

A. B. Dick mimeograph

THE MIMEOGRAPH COMPANY, LTD. • 189 JOHN ST., TORONTO

$450,000 Issue By Dionne Ltd.

MONTREAL (Staff) — New issue of $450,000 first-mortgage bonds of Dionne Ltd. is expected to be offered soon by L. G. Beaubien & Co. The issue consists of $80,000 4% serial bonds due Nov. 1, 1949-53 and $370,000 4½% sinking-fund bonds due Nov. 1, 1954-63 (including $177,000 maturing 1963). Offering price is expected to be at par.

Dionne Ltd. operates a chain of self-service stores in the retail grocery trade in Montreal. Recently the company acquired the business of A. Dionne, Son & Co., a partnership which has specialized in the high-quality retail trade in Montreal since 1870.

The six stores now in operation handle a full line of groceries, including fruit and vegetables, and a wide variety of meats. Five other stores are planned, one of which is scheduled for next month, one in May, 1949, and the others in 1950. The company also owns and operates a warehouse with 20,000 sq. ft. of floor space. There are approximately 250 employees.

Proceeds of the issue are for retirement of a bank loan and for equipment and inventory for opening of new stores.

Net earnings available for bond interest according to the prospectus, after provision for depreciation, included: 8 months ended Aug. 31, 1948, $68,883; 1947, $109,288; 1946, $66,556; 1945, $66,776; 1944, $43,457; 1943, $48,-654. Interest payable on present issue will amount to $19,400 in the first year, declining progressively each year thereafter.

Pro forma balance sheet as at Aug. 31, 1948, shows total assets of $1,529,496, including $817,341 current assets and $686,077 fixed assets. Current liabilities totaled $216,138. Capital stock consists of 3,000 authorized, 1,890 issued 5% preferred shares, $100 par, and 25,000 n.p.v. common shares authorized and issued.

LAWSON & JONES, LTD. class "A" and "B" shares were called for trading on the Toronto Stock Exchange on Dec. 1. These shares were recently distributed to the public by Midland Securities and Wood, Gundy & Co.

AUBELLE MINES advises that Nov. 17 installment on 100,000 shares at 10 cents a share has been extended for three months.

Engineers of 'Vintage 1948' Start Jobs at $205 Monthly

Engineering and science students who received bachelor's degrees in this spring's graduation ceremonies are now getting "starting salaries" averaging $205 a month.

Bureau of Technical Personnel found this by recording the starting salaries in 1,000 cases. These included practically every branch of engineering and pure science, and afforded wide coverage both geographically and as to type of employer (number of employers involved was about 150).

Summarizing the results in its latest quarterly bulletin, the Bureau reports that starting salaries were concentrated in a fairly narrow range. Only 7.7% were above $225 a month, and only 3.9% below $175. The "most popular" figure was $200 a month. This general level is slightly above that of 1947.

Looking ahead, the Bureau expects 3,200 engineers to graduate next spring, and some 3,600 in 1950. The latter, it is expected, will see the peak postwar class passing through the graduating stage.

The bulletin traces histories and withdrawals of the engineering class of '50. When this group was in its first year, the enrollment was slightly under 6,000. In its second year, the numbers had decreased to just over 4,600. It is now entering its third year with a strength of 3,950, and the previously-mentioned forecast of 3,600 graduates assumes a certain rate of "casualties" to continue into the graduating year. In broad terms, these figures are not unlike the experience of normal peacetime classes in engineering, except that the present actual number is exceptionally large because of heavy veteran enrollment.

Because certain employers who are interested in technical personnel also keep their eye on commerce graduations, the bulletin includes a summary of present commerce enrollments in the Classes of 1949 and 1950. In this case, 1949 will be the peak year for graduations, unlike engineering, in which the peak comes a year later. Of the specialized courses of study, commerce ranks second to engineering in enrollment of veteran students. The breakdown follows:

University	1949	1950
British Columbia	233	212
Alberta	104	74
Saskatchewan	122	106
Manitoba	118	111
Toronto	184	140
Queen's	105	94
Western Ontario	120	114
Ottawa	24	32
Carleton	25	25
St. Patrick's College	18	19
Laval	60	90
Montreal	79	87
Sir George Williams	50	70
McGill	255	170
Dalhousie	50	65
St. Mary's	5	7
TOTAL	1,552	1,416

COMPANY REPORTS

SOUTHERN CANADA POWER CO. net profit for the year ended Sept. 30, 1948 was off at $867,007 ($1,002,627 previous year). Gross earnings at $4,604,761 were up $246,-648. Largely due to increase in purchased power, expenses at $2,445,237 were $625,371 higher.

Kilowatt hour output at 354,353,-050 showed an increase of 5%. The company added 5,292 new customers to its system, bringing total as at Sept. 30 up to 55,588. Capital expenditures of $1,878,000 were made for new plant, leaving working capital at $976,172 against $2,457,486 last year. Decline in investments of from $2,242,597 to $807,045 was due to necessity of selling some of them to provide funds for company's construction program. During the year, $1,878,615 was invested in new construction and equipment.

During the year, 298 miles of rural lines were built to take care of new customers. In the industrial field, several new industries were started in the territory served and many existing plants enlarged. Merchandise sales were at an all-time high at $1,066,961, an increase of $34,511.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1948	1947
Total net earnings	$2,159,524	$2,538,247
Less: Depreciation	460,475	471,810
Bond interest	214,500	214,500
Inc. tax res.	556,275	796,310
Pension fund	61,267	53,000
Net profit	867,007	1,002,627
Less: Pref. divds.	425,334	425,334
Common divds.	480,000	400,000
Surplus for year	†38,327	177,293
†Deficit.		
Times Interest Charges Earned:		
Before deprec.	10.07	11.83
After deprec.	7.92	9.63
Earnings per Share and Dividend Record:		
Preferred	$12.23	$14.14
Paid	6.00	6.00
Common	1.10	1.44
Paid	1.20	1.00

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1948	1947
Cash	$158,402	$187,802
Accts. rec.	480,294	421,119
Inv. accos. cos.	90,003	90,003
Other invests.‡	807,045	2,242,597
Inventories	767,868	753,530
Total curr. assets	2,303,612	3,695,051
Misc. assets▲	401,257	366,181
Fixed assets	26,636,224	24,758,946
Total assets	29,341,093	28,820,178
Total curr. liab.	1,327,440	1,237,565
Funded debt	6,106,000	6,106,000
Depreciation res.	5,724,353	5,276,326
Other reserves	316,366	295,026
Capital stock	15,088,900	15,088,900
Minority int.	455	455
Surplus▲	777,579	815,906
‡Market value	1,056,418	2,549,729
▲Incl. ref. EPT	215,870	215,870
Working capital	976,172	2,457,486

Government and Corporation Securities

Enquiries Invited

A. E. Ames & Co. Limited

Business Established 1889

TORONTO MONTREAL WINNIPEG VANCOUVER
VICTORIA NEW YORK LONDON, ENG.

Esterbrook

WRITES 300 WORDS WITHOUT DIPPING

Offers a Choice of 33 Precision-Made *Points* for Every Writing Job

Set No. 427—Double $8.90

Set No. 407—Single $4.45

Filling every writing need in the office or home, the Esterbrook Dip-Less* Writing Set is everybody's writing set, providing a *point* for every business purpose or to fit an individual style of writing. Can't leak, won't flood, visible ink fountain-well serves for months without refilling. Ask your stationer, or write direct to The Brown Brothers Limited, 100 Simcoe Street, Toronto 1, Ontario.

*Reg. U.S. Pat. Off.

Dip-Less* *writing sets by* **Esterbrook**

AMERICA'S FIRST PEN MAKER

BUSINESS

MUST TAKE UP THE

CHALLENGE . . .

"The Canadian people are being urged by doctrinaire socialists to abandon the forces of individual incentive and healthy competition in favour of widespread and permanent bureaucratic controls together with nationalization of major industries.

"We are, of course, being asked to take the benefits of socialism on faith, since it is an incontrovertible fact that the living standards achieved under our present system are the envy of nations subject to the bureaucratic yoke. Nor can any Canadian hope that it will be possible to establish in this country some form of selective economic dictatorship that will apply to others but leave him unscathed. The experience of other countries makes it perfectly clear that, once regimentation is established, no interest or class in the community can escape its toils.

"Beliefs such as these challenge all Canadians who prefer to conduct their own affairs within the law, with a minimum of governmental interference, and subject to the ordinary checks and balances of a free and intelligent society. In particular, prevalent left-wing doctrines place a responsibility on business men. I hold no brief for any concern that in this day and age operates without regard to the public interest. Good business practice is the basic essential of good public relations.

". . . at a time when opponents of private enterprise are vigorously spreading the idea that a well-run successful concern must, *ipso facto*, be a social menace, business must tell its story more completely, and in terms more readily understood by the man in the street, than it has done in the past."

B. C. GARDNER, *President*

"MY BANK" TO A MILLION CANADIANS — B of M

This quotation is from the address of the President of the Bank of Montreal at the Bank's recent annual meeting. If you would like to receive, when published, a free copy of the complete annual report carrying this address, write to the Bank of Montreal, P.O. Box 6002, Montreal.

BANK OF MONTREAL

Canada's First Bank

WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

Increased Income

The fee of the Expert Building Manager is paid for out of the increased returns from expert management. Send for descriptive booklet.

LYONS

Building Managers

347 Bay St. Toronto

RYDER

INDUSTRIAL LIFT TRUCKS

ELECTRIC and GASOLINE TRACTORS

J. H. RYDER MACHINERY COMPANY LIMITED

1130 Bay Street Toronto

McLEOD, YOUNG, WEIR & COMPANY
LIMITED

Members of The Investment Dealers Association of Canada

DEALERS IN GOVERNMENT AND CORPORATION SECURITIES

Direct Wire Connections to Montreal and New York

50 King Street West, Toronto. Telephone: Elgin 0161

276 St. James Street West, Montreal. Telephone: HArbour 4261

Offices at Ottawa, Hamilton, London and New York.

Correspondents in London, England.

McLEOD, YOUNG, WEIR & RATCLIFFE

Members of The Toronto Stock Exchange

STOCK ORDERS EXECUTED ON ALL EXCHANGES

50 King Street West, Toronto

Telephone: Elgin 0161

Longer Civic Office Terms?

The Question: Would you favor longer terms for municipal office, and why? If so, how long?

A majority of those answering a Financial Post questionnaire definitely favor terms longer than one year for municipal councils; although a number strongly oppose the suggestion. The majority favor two-year terms, although some suggest three years — staggered so that only half or one third of the council would be elected each year. This, they contend, would make for more efficient civic administration, and would probably attract many competent candidates, who do not wish to go through an election campaign every 12 months. Critics of the longer term contended that the one-year term kept councillors more conscious of their responsibility to the electors. One or two favored the English system of having a mayor chosen by vote of the council, rather than directly by the electors.

JOHN ATKINS, John Atkins Publishing Co., Bracebridge.

The one-year term appears to be the most satisfactory. Longer terms encourage long-term commitments to policies and expenditures which are not sufficiently understood by the people. When public policies are election issues once a year, councillors are less likely to make major irrevocable mistakes or to use their offices to commit electors to programs based on political theories, rather than on practical considerations. Voters will maintain continuity in municipal programs when men and policies meet with their approval. An election is a small price to pay for democratic safeguards against political plotters.

* * *

HON. W. S. ANDERSON, Minister of Public Works, New Brunswick.

In this province mayors and aldermen are generally elected for two-year terms, half the council going out each year. This system appears generally satisfactory.

* * *

S. A. BOSWELL, Hamilton, President, Retail Merchants Assoc. of Canada.

I would suggest a two-year term and if a test period proved satisfactory, three years. I believe this would result in the best interests of economy to both municipality and contestants who would, because of this longer term, wage an ardent campaign and thereby stimulate greater interest and sense of responsibility; and participation of the electorate because of electing men for a longer period. This also would attract some desirable contestants to seek office who are not now interested because of the necessity of campaigning so frequently. Newcomers to office are generally in a probationary era for part of the first term and therefore are unable to demonstrate their real value.

* * *

REV. FATHER J. E. BRANCH, Editor, Model Publications, Gravelbourg, Sask.

I would not favor longer terms for municipal office. The present system is a guarantee against local cliques taking over municipal affairs and entrenching themselves in office. The two-year reshuffle also has the advantage of getting more citizens interested. If a man is really good, he will get the longer term anyway.

* * *

A. M. BROWN, President, Odlum Brown Investments Ltd., Vancouver.

I think that with municipal government, the electors should have frequent opportunity to show opinion on policy but that it is also desirable to have a degree of continuity. These objectives are secured by having aldermen and councillors elected for two-year terms with half elected each year. I suggest that mayors and reeves should be elected annually by the council. There are some risks of jockeying in this, but the possible loss of a good alderman or the election of an inexperienced mayor are greater disadvantages. I am convinced that in the long run better aldermanic candidates would offer themselves.

* * *

K. GRANT CRAWFORD, Director, Institute of Local Government, Queen's University, Kingston, Ont.

Having experienced both one and two-year terms, I am strongly in favor of a longer term; preferably a three-year term, with one-third to be elected annually; but a two-year term is a vast improvement over one year. A short term compels representatives to concentrate attention on issues producing immediate results and to neglect the larger and more important issues which cannot be brought to completion in the shorter period. Many useful citizens will not serve if required to endure election turmoil every 12 months.

* * *

R. H. DEAN, Nesbitt, Thomson & Co., Montreal.

I do not favor longer term for municipal office. While this would provide greater opportunity for representatives to become thoroughly familiar with their duties without election considerations, nevertheless a good administrator will do well within the existing term and will not be adversely influenced by a relatively early election. Further, elections fairly often tend to greater concentration to achieve sound results. A long term would perpetuate inefficiency too long, whereas a progressive administrator can be elected in place of a poor one. A long term would tend to complacency, whereas changes bring in new administrators, tending to maintain a constantly new and progressive administration.

* * *

C. B. DELBRIDGE, Publisher, Vancouver News-Herald.

Aldermen in Vancouver are elected for two years, half being elected each year. This has been working out satisfactorily. It gives an alderman time enough to get accustomed to his work, to develop and pursue a policy, knowing that he may not be cut short at the end of his first year. By the time the voters are called on to pass on him and his works at the end of two years, he has had a fair time to prove himself. There would be no advantage in making the term longer. It seems to be working out about just right.

* * *

DR. E. G. FALUDI, Managing Director, Town Planning Consultants Ltd., Toronto.

Yes—for two years. This term is sufficient to prepare long-term programs for municipal improvements and developments, and also to provide the means for implementation. During a two-year term the elected representative can thoroughly study each detail of the municipal machinery, the problems of the community and the legal and financial features involved in all aspects of the administration. This will enable him to make decisions with a complete knowledge of facts, free from the emotional or selfish influences of the electors, who often act without considering the factual matters involved. Being free from the uncertainty of approaching elections, he will have two full years for constructive work rather than six months. Regina and Windsor are good examples of the two-year term.

* * *

GERARD GINGRAS, Rene T. Leclerc Inc., Montreal.

The three-year term for municipal office seems most practical, with one third of the members elected each year. This has the advantage of having at least two thirds of members with practical experience and gives sufficient time for new policies to be studied and established. It also reduces possibilities of clique politics in elections. It may have the disadvantage of reducing public interest in municipal elections in larger cities, where voters do not always know to which district they belong.

* * *

ERIC HARDY, Director, Bureau of Municipal Research, Toronto.

The one-year term tends to favor shortsighted policies and forces office holders to spend too much time learning the ropes and campaigning for re-election. Efficient administration and long-term planning are penalized. Busy people of high calibre are discouraged from standing for office. If one third of the members were re-elected each year for a three-year term, constructive continuity would be assured, while the actions of council would stay responsive to public opinion. Staggered terms would hardly do for members of Parliament because each election might disturb party majorities, thus breeding administrative chaos. Yet the three-year staggered term is not only sound theory for local government, but proven practice in England, and no novelty to Canada. I recommend its wider adoption.

* * *

H. HILLS, Royal Securities Corp., Halifax, N.S.

The term of office for municipal councils varies in Nova Scotia, as between cities, towns, and the counties. The dissimilar periods of office are not, however, simply because they are dissimilar, to be considered in need of adjustment, as they have been decided upon to obtain the most satisfactory form of local government, be it city, town or county. I believe that generally speaking, terms of office should be for two years. Cities and towns would probably be best served by elected representatives on their councils serving three years.

* * *

W. J. KIRBY, Eastern Securities Co., Moncton, N.B.

Longer terms for municipal office should prove beneficial to the public as a whole. The longer term provides more opportunity for those holding municipal office to map out a program and carry it to a successful conclusion. I would favor a staggered two-year term; this would give continuity to the municipal set-up.

* * *

J. B. LAMB, Managing Editor, Times-Herald Moose Jaw.

I believe the present two-year terms for aldermen and year term for mayor are too short for efficient city administration, with half the council and the mayor liable to be first-year men, who will require the best part of a year simply to learn their way around. A better system would seem to be one similar to that used by the U. S. Senate, with civic officials being named for three-year terms. The number of aldermen in a council would be some multiple of three, rather than the even number now required; and, with only a third of the council to be elected each year, the city would be assured that two thirds of its aldermen were men of one or two years' experience.

* * *

IBBOTSON LEONARD, President, E. Leonard & Sons Ltd., London, Ont.

Continuity of policy is just as essential in municipal affairs as it is in any sound business organization, and I hold the opinion that our elected representatives should hold office for not less than two years, with no more than half the council being elected in any single year. Under a one-year tenure, there exists a temptation to defer important decisions from year to year, and this necessarily results in inefficiency. I would not favor a longer term than two years because it is a healthy condition to require the members of a municipal council to secure a fresh mandate from the people periodically, when their record of service is placed under the searchlight of lucid investigation.

* * *

JOHN A. MARSH, Editor, Echo, Amherstburg, Ont.

We definitely do not favor longer terms for those elected to municipal office, as we feel that longer terms tend to give such persons a feeling of not being responsible to the people who elected them. If a man in municipal life is ever conscious that he is the trusted servant of the people and that he can be removed from office within 12 months if he betrays that trust, he legislates for the good of the majority, rather than for the welfare of a minority.

* * *

FRANK McCALLUM, Mayor, Oshawa, Ontario

I strongly endorse the longer term of two years. One year is not sufficient for the mayor to get fully acquainted with his job. A council of eight or more, 50% to be elected yearly for a two-year period, is best.

* * *

ELMORE PHILPOTT, Political Columnist, Vancouver, B.C.

My observation during residence in six widely separated cities is that the best-governed cities are those where the general public takes the keenest interest and where press controversy is liveliest. Yearly elections contribute to these factors and outweigh any economy from a longer term.

* * *

W. W. SOUTHAM, Director, Southam Co., Montreal.

A satisfactory answer cannot be found without first considering the personal characters and qualifications of the elected person for such office. If these stack up right, and on a solid foundation, any length of terms would be far too short; and, on the other hand, if they didn't, one term would be far too long. Experience in the job worked at is invaluable. General Omar Bradley recently made a very significant statement: "We have grasped the mystery of the atom but neglected the Sermon on the Mount."

* * *

E. H. TANNER, President, Tanner & Co., Calgary.

I would like to distinguish between the legislative and administrative fields. In the legislative field I believe that a two-year term for mayor and councillors provides these elected representatives with ample opportunity to familiarize themselves with municipal problems. I suggest, however, that half the council be elected each year which would provide the electors with an annual opportunity of expressing their wishes. In view, however, of the long-term nature of the majority of municipal programs, I consider it essential that a qualified city commissioner or city manager should be appointed by council, and thus provide for continuity of management and administration. This official could be dismissed by two-thirds majority of council, but should not have to seek re-election every year or two.

* * *

WM. HOUSTON, Managing Director, Houston, Willoughby & Co., Regina, Sask.

A two-year term for mayor and a three-year term for aldermen appears to me about right. The British method of the mayor's being chosen by majority vote of the Council seems to me to have much merit—not many mistakes would occur in that way. Aldermen and school board trustees give their fellow citizens a terrific amount of unselfish service and are seldom appreciated This makes the qualified type of person unwilling to run for office. Annual budgets of cities in Canada are now running into large dollar figures, and the health and happiness of thousands of citizens and their families depend upon sound and far-seeing aldermen being elected to direct municipal governments. If elections come at too frequent intervals, fewer capable and honest men and women will run for civic office.

SALMITA NORTHWEST MINES has completed diamond drilling the southeast showing on its Yellowknife property, and results will be available on completion of assaying.

Which way do you dictate?

ANCIENT WAY—man-to-secretary dictation. This impractical method keeps two people tied down hour after hour, every day—causing delay, and letting work pile up and get behind!

OLD-FASHIONED WAY—man-to-machine, acoustic dictation. A step forward, it frees the secretary and speeds work. But ease of operation and perfect reproduction dictate an even better method.

MODERN WAY—Electronic dictation, pioneered by Dictaphone Corporation, is a boon to both boss and secretary. Electronic recording lets a man *really* relax . . . completely! Speaking into the handy Dictaphone microphone is exactly like thinking out loud. And because it means faithful reproduction, your secretary can quickly transcribe all your dictation *with* ease, and *without* error!

DICTAPHONE ELECTRONIC DICTATION HAS PROVABLE ADVANTAGES

SIT BACK and relax. Your Electronic Dictaphone machine will catch every word—even a whisper. It gives you *better* recording! *Better* reproduction! Electronic ease! Dictaphone's *dependable!* For a demonstration, call your local Dictaphone Representative or write for descriptive literature.

DICTAPHONE CORPORATION LIMITED, 629 ADELAIDE ST. WEST, TORONTO

The word DICTAPHONE is the registered trade-mark of Dictaphone Corporation, makers of Electronic dictating machines and other sound-recording and reproducing equipment bearing said trade-mark.

Model AE, with either hand or desk microphone.

DICTAPHONE

Electronic Dictation

Of course you'd like Craven 'A' this Christmas!

. . . SO WOULD ALL MY FRIENDS. That's because every one wants Craven 'A' quality. The quality that never varies—from year to year. You'll like their smooth mildness, too. Make this a Craven 'A' Christmas.

CRAVEN PLAIN—without cork tips—same fine quality as Craven 'A'.

CARRERAS LTD., LONDON, ENGLAND—150 YEARS' REPUTATION FOR QUALITY

The VICTORIA TRUST & SAVINGS COMPANY

Head Office: LINDSAY, ONT.—Branch, CANNINGTON, ONT.

Trustees and Executors

MONEY TO LOAN ON MORTGAGES

INTEREST ALLOWED ON SAVINGS DEPOSITS

ESTATES MANAGED

VT-8-10

An Announcement to Users of Electric Power

INTERNATIONAL DIESEL ELECTRIC COMPANY, INC.

13-02 44th Avenue, Long Island City, New York

announces the appointment of

TRUCK AND TRACTOR EQUIPMENT CO. LIMITED

Lakeshore Road at Mimico, Toronto 14

as exclusive distributors of

International Diesel Electric Generating Equipment

for Ontario, Quebec and the Maritimes

This announcement places the distribution and servicing of this internationally-recognized power generating equipment in the hands of Truck and Tractor's capable, established organization, who are able to give prompt, experienced attention and engineering advice on your requirements.

Within a short time a demonstration of this power generating equipment will be given at Truck and Tractor's Toronto Showroom (Lakeshore Road at Mimico). This will be under the direction of International Diesel Electric Company engineers, who will be available to give complete information.

Watch for the announcement of this demonstration, in this paper. Or, if you wish to receive notification by mail, contact the Industrial Division, Truck and Tractor Equipment Co. Limited, by telephoning MUrray 7268 or by writing.

INTERNATIONALLY KNOWN — USED THE WORLD OVER

ACE ART SERVICES
LIMITED

A Company of Craftsmen, Artists and Builders Devoted to Your Problems

EXHIBITS
SHOWROOMS
STORE FRONTS
INTERIORS
MURALS
PHOTO MOUNTING
ADVERTISING
DISPLAYS

★

ADELAIDE 0811
65 Lombard St.
TORONTO

22 YEARS OF SUCCESSFUL SERVICE

Montreal Shipping Co. Sees Troubled Waters Ahead

MONTREAL (Staff)—How soon will the Canadian shipping business hit bottom? Employees of Montreal Shipping Co. had an idea after reading "Let's Face Facts — The Boom is Over," an article by President A. L. Lawes in the company's employee publication, "Montship News".

Said Mr. Lawes: "The rainy day has definitely arrived! For very many reasons, all beyond the control of any individual or group, it is becoming increasingly difficult to fill our ships on their regular runs. The dollar-short European countries wish to avoid the payments of freights in what is called "hard" currency, i.e. dollars. Every nerve is being strained to put into service vessels flying the flag of the country which purchases (or owes for) our exports. Marshall Plan funds are available for the payment of freights on the U.S. flag vessels but hardly ever for Canadian.

"In addition to the great reduction in the cargoes available, the level of freight rates, and consequently vessel earnings, has declined precipitately, with a corresponding reduction in Montreal Shipping Co.'s gross commissions. It is from these commissions that salaries are paid."

Mr. Lawes stated that four steps must be taken:

1. Orderly reduction in staff and general overhead.
2. Immediate elimination of luxury spending of all kinds.
3. Reorganization of departments and elimination of all overlapping and duplication of work.
4. Strict advance budgeting of all expenses.

With respect to employees, Mr. Lawes said: "In the light of present day cost of living costs, it is not reasonable to expect junior staff members to accept salary cuts, which leaves us with no alternative but to reduce the total staff employed ... as many jobs as possible will be kept going ... but our current overhead cannot be maintained for any long period .."

Seek Government Aid

Mr. Lawes said that the facts had been laid before the Canadian Maritime Commission with the hope that some government assistance will be forthcoming in order that the Canadian flag may be kept on the high seas. He added, however, that it was quite certain that no government is going to subsidize inefficiency and considerable time must elapse before anything in the way of subsidies will be considered by Parliament.

"Whilst we can claim to have attained a reasonable degree of efficiency in our shore organization, except for much duplication, and also in our officer personnel, the same cannot be said for the deck and engine-room unlicensed personnel," Mr. Lawes said.

Briefly reviewing the history of the "lush" postwar period Mr. Lawes said that his company built up a personnel structure which cost in overhead about $1 million a year. Practically all of it was paid out in wages, rent, office equipment and taxes. This was done to operate nine of the Park vessels formerly owned by the Canadian Government.

He said that the whole staff was repeatedly warned that most of the postwar business was of a boom nature and that hard times could be expected when European flag merchant fleets were rebuilt to previous tonnages. Sea-going personnel were also advised that the ships would not be able to operate unless the company's costs were competitive and efficiency as great or greater than those of European flag vessels.

"Unfortunately, these conditions have not been met, and the day is fast approaching (if it has not already arrived) when Canadian flag operation will become an economic impossibility," Mr. Lawes declared.

Are You as Worried as SANTA and Twice as Busy?

If so, may we suggest that you'll find it easy to select an attractive and useful GIFT IN LEATHER for anyone from the Chairman of the Board to the Office Boy from the varied selection we now have on display.

What is more, you can shop quickly and comfortably and you will be served courteously at

HARCOURTS
103 KING ST. WEST, TORONTO
LUGGAGE AND LEATHER GOODS

CABLES: "AUTOGENEX" TORONTO

Are You Exporting?

IF NOT — WHY?

LET US HELP YOU!

We have resident salesmen in every country where Canadian goods can be sold to-day.

MAKE USE OF A READY MADE ORGANIZATION

and help maintain Canada's volume of export business.

FOR FURTHER DETAILS OF OUR SERVICE, CONTACT

AUTOMOTIVE & GENERAL EXPORT CO. LTD.
10-16 St. Patrick St.
Toronto 2B Ontario
Phone ELgin 2326

Got a Gift Problem?

Solve it with a gift subscription

Here's an easy way to solve that gift problem quickly. Give a gift subscription to The Post. At the same time you'll have the satisfaction of knowing that your gift will remind your friends and associates of your goodwill and good judgment through the coming weeks.

It's inexpensive too. The yearly subscription rate is $5 for most parts of the British Empire. See below for complete rate schedule.

A handsome Christmas gift card will announce your gift subscription in time for Christmas. Make up your gift list now and mail with your cheque today.

DONOR'S NAME ....
ADDRESS ....
CITY & PROVINCE ....

Please enter gift subscriptions to The Post for:

NAME ....
ADDRESS ....
CITY & PROVINCE ....
NATURE OF OCCUPATION ....
Sign gift card from ....

NAME ....
ADDRESS ....
CITY & PROVINCE ....
NATURE OF OCCUPATION ....
Sign gift card from ....

RATES: In Canada and British countries (except Australia), $5; Australia, U.S.A., Mexico, Central & South America, France, Spain, $6; other countries, $7.

THE FINANCIAL POST, 481 University Ave., Toronto 2
FP-52

Liquor Salesmen End Strike; New Seagram Sales Plan Off

MONTREAL (Staff)— A decision by Distillers Corp-Seagrams Ltd. to place its wholesale distribution in New York area directly in the hands of a subsidiary, has been reversed, a New York report states.

Late last week Seagram Distillers Corp., a subsidiary which handles U. S. distribution, had announced formation of a new wholesale organization, Sea-Cal-Frank Corp., to sell the company's products directly to the retail trade. At the same time, it had notified all its wholesalers in the New York area that as of Dec. 1, they would no longer be supplied with Seagram brands for distribution.

Company's action stemmed from a strike of salesmen of wholesale firms in the New York area for higher commissions. The wholesalers held that increased commissions were impossible unless distillers granted them a higher markup. Other distillers agreed to the higher markup, and allowed the wholesalers to settle with the union, but Seagram refused to do so, it is reported.

Early this week, it was announced that the strike had been ended and that the wholesalers had been reinstated by Seagram. No details of the terms of settlement were released.

Canada's Exports at Peak But Depend on U.S., ECA

OTTAWA (Staff)—Increasing dependence of Canada on her exports to the United States and on exports underwritten by U. S.-subscribed ECA funds is revealed by analysis of new trade returns for October.

The returns are hailed as marking a new high point in Canadian overseas trade, because our domestic exports were $307 millions. ($250.8 millions a year before.) Only rarely, in isolated months during the war, did shipments from this country exceed the $300-million mark.

But the remarkable and sobering fact about the 1948 returns to date is the decline in sales to countries other than the United States or those receiving ECA aid.

In October, and for the first 10 months of 1948, 48% of all Canadian exports went to the United States. A further 33% went to ECA countries. This leaves only 18% or $55 millions to other countries.

Never So Much to U. S.

Never before in recent Canadian history has the share of Canadian exports going to the U. S. been so large. In the first 10 months of 1947, only 37% of our export trade was with the United States, compared with 48% this year. The highest previous percentage was 43.8% in 1920. In 1930, the figure rose to 43.2%.

The summary of trade in October and for the first 10 months is:

SUMMARY CANADIAN EXPORT FIGURES
(A) in millions of dollars

	1948 Oct.	1948 10 mos.	1947 Oct.	1947 10 mos.
Destination:				
U. S. A.	150	1,196	103	841
ECA countries.	102	830	95	889
Other countries	55	439	53	526
Total	307	2,465	251	2,256
(B) in percentages	%	%	%	%
U. S. A.	48	48	41	37
ECA countries.	33	34	38	39
Other countries	18	17	21	24
Totals	100	100	100	100

Of equal interest is a breakdown of how our sales of farm and other primary products, metals etc, were divided as between the United States and all other countries. Little more than a fifth of our farm product exports find a market in the United States; only a third of our manufactured goods. But 80% of all forest products are marketed

CANADA'S EXPORTS (JAN.-OCT., 1948)
(In millions of dollars)

	Total Exports	Exports to U.S.A.	Op. to U.S.
Farm prod. ...	645	142	22
Fish products ..	75	51	68
Forest products	782	622	80
Metals, minerals	383	171	45
Chemicals	56	28	50
Manufactured & misc.	524	175	33
	2,465	1,189	48

Beef New Concession

The foregoing figures do not follow the usual DBS classification. Instead, an attempt has been made to distinguish between metals, farm products, etc. in their primary form and those which are partly or wholly semi-manufactured. There are some exceptions (newsprint for example, is included in the forest product export group). But the figures distinguish very largely between manufactured and "primary" sales.

Detail of the October and 10 months shipments to the United States shows a continuation of sales for Canadian beef and live cattle. The October export of $19.8 millions brings to $66.9 millions the total sales of these three items to date in that market this year. Beef itself is an entirely new concession gained for Canada at Geneva by reason of Australia's insistence on getting the original tariff cut in half. Canada automatically benefited by reason of MFN treatment. Beef sales to date have amounted to about $25 million or one-third of the total.

October and 10-month figures of exports to the United States, together with over-all exports to all countries for the first 10 months, follow:

CANADIAN EXPORTS TO U. S. A., 1948
(In millions of dollars)

	To U.S.A. Oct.	To U.S.A. Jan. Oct.	To all Countries Jan.-Oct.
Farm Products:			
Fruit & veg.	3.0	14.9	22.5
Wheat	2.2	2.4	181.9
Wheat flour	....	....	101.6
Coarse grains ..	5.2	22.6	52.3
Cattle (dairy) ..	2.0	22.7	23.7
Cattle (live beef)	11.8	29.7	30.1
Beef & veal	6.0	14.5	23.8
Bacon & hams .	...	....	65.4
Eggs & dairy pr.	.2	1.7	60.4
Oth. farm prod.	4.2	33.9	83.1
Total	34.6	142.4	644.8
Fish Products	5.0	50.5	74.7
Forest Products:			
Softwood lumber sq. timber	10.4	97.7	152.7
Pulpwood	4.5	36.0	36.6
Wood pulp	14.9	154.1	175.9
Newsprint	29.0	278.5	313.0
Other	6.4	56.0	103.8
Total	65.2	622.3	782.0
Metals & Minerals (Primary & semi-processed):			
Iron ore	1.3	4.2	4.2
Prim. & semi-fin. steel	.4	2.8	26.1
Aluminum	3.8	19.6	77.3
Copper (ore & primary)	2.2	13.4	61.2
Lead	1.7	13.6	26.0
Nickel	4.5	46.2	61.0
Zinc	2.8	19.7	32.6
Asbestos	3.0	25.8	33.4
Other	3.5	25.6	60.5
Total	23.2	170.9	383.2
Chemicals	2.7	28.3	56.2
Other Manufactured & Misc. Goods:			
Whiskey, beer, etc.	2.6	18.6	22.3
Rubber manuf. .	.3	2.8	20.7
Furs	.4	13.2	21.1
Ferro-alloys	.8	10.4	19.9
Locomotives & parts	....	....	3.9
Farm implements & parts	5.5	42.0	61.4
Automobiles ...	....	....	13.4
Trucks	....	....	14.8
Auto & truck parts	.1	1.6	12.6
Manuf. chemic. .	.6	4.6	16.3
Ship (sold)	....	.8	59.7
Other	7.7	81.3	258.1
Total	18.0	175.3	524.2
Grand Total† ..	150.4	1,207.6	2,494.4

†Includes exports of foreign produce.

Prov. Transport Hinted Seeking Boost in Fares

MONTREAL (Staff)—Is Provincial Transport preparing to ask for an increase in its passenger fares? At the company's 20th anniversary banquet guests were reminded that fares today are lower than in 1929. Speakers stated that there has never been an increase and that a reduction made in 1936 has been maintained since that time.

Last year Provincial Transport Co. had a record total income of $7.6 millions, but another record of $5.2 millions operating expenses was largely responsible for paring the net profit ($390,838) below the 1946 figure of $469,875. Earnings per share last year were $1.12 ($1.34 in 1946).

This reduction in net profit occurred during one of the company's busiest years. Spokesmen point out that the biggest gain in passengers carried was between 1945 and 1947, when passenger traffic jumped from 19,234,144 to 25,061,132. Following are some of the comparative statistics listed:

	1929	1947
No. seats	14,511	2,095
No. buses	97	428
Employees	263	1,405
Route miles	1,518	3,558
Total mileage	1,825,362	17,814,892
Passengers carried .	763,236	25,061,325
Investment	......	$2 millions

In Quebec, Provincial Transport would have to apply to the Provincial Transportation and Communications Board for a fare increase. In Ontario it is stated that authorization would come from the provincial registrar of motor vehicles.

End Rent Plan Water Heaters

Home-owners in the Winnipeg area may now buy electric water heaters outright instead of being compelled to rent them.

This is the result of a deal—expected to be the forerunner of similar arrangements in other areas—between Winnipeg Electric Co. and Consolidated Industries Ltd., Winnipeg distributors for John Inglis Co. Ltd., Toronto.

Inglis has contracted to supply the heaters—of new, glass-lined design claimed to reduce power waste—which will be sold on installments of $1.60 a month, which is slightly above present rental fee.

Units will be sold through the offices of Winnipeg Electric Co.—a privately owned utility operating in competition with a municipally run power and light system—and buyers will have the installment payment added to their light bills.

The heaters will also be available through plumbers and appliance dealers on a similar long-term purchase basis.

(Advertisement)

Want complete technical data on any subject in the fields of air handling, heating, cooling or drying? Write Canadian Sirocco Company Ltd., 310 Ellis Street, Windsor, Ontario for a compact factual technical bulletin for your complete information. No cost or obligation.

CONSULTANT & BUSINESS REPRESENTATIVE
all DOMINION GOVERNMENT departments
Specialized guidance and service. Formerly with Reconstruction and National Revenue depts. at Ottawa.
79 Queen St. E., Toronto. PL. 2040.
P. J. WARDLE

ABOUT YOUR TAXES By STUART THOM, LL.B.

YMCA Officer Ineligible For Income Tax Benefit

Mr. Justice O'Connor Denies Contention that Supervisor's Pay and Allowances were Wholly Exempt Income Tax While Overseas

The income tax liability of Auxiliary Service supervisors who served with the Canadian Forces overseas is considered in the recent judgment of Mr. Justice O'Connor in the case of E. M. Russell v. The Minister of National Revenue. Mr. Russell, until June, 1943, was employed by the Y.M.C.A. in war service work in Canada.

At that time he was selected as an Auxiliary Service officer and went overseas with army personnel. He was posted to a number of units and saw service both in England and on the Continent, in the course of which he was wounded and served with distinction.

During the whole time that he was overseas from 1943 to February, 1946, he was under military discipline and in practically all respects was in the same position as an officer of the Canadian Army except that he was a non-combatant and had not taken the Militiamen's Oath. Nor was he afforded the complete exemption from income tax on his service pay and allowances which was enjoyed by members of the forces under Section 4 (t) of the Income War Tax Act.

Benefits Enlarged

The orders-in-council affecting Russell and several hundred other Auxiliary Service Supervisors representing the Canadian Legion, the Y.M.C.A., the Knights of Columbus and the Salvation Army gave successively greater privileges and benefits. Order-in-Council P.C. 16/1391 in 1940 specifically stated that such personnel "shall not be deemed to be members of the Naval, Military or Air Forces of Canada on active service." Order-in-Council P.C. 44/1555 in March, 1944 however, provided that Auxiliary Service Supervisors, which by definition meant the authorized field representatives of the above organizations, should be deemed to be members of the military forces of Canada on active service while serving with active units for all purposes except engaging in combat with the enemy.

It also provided that they should be entitled to the pay and allowances, pensions, and all other benefits (except income tax benefits) applicable to the rank of captain. With regard to income tax, it was provided by P.C. 3254 of May, 1944, that one fifth of the pay, including dependents' allowances, of such Auxiliary Service Supervisors be deemed not subject to taxation under the Income War Tax Act.

Claims Exemption

Mr. Russell's contention was that from 1943 to 1945 he had been a member of the Canadian Military Forces overseas on active service and that his pay and allowances were wholly exempt and not merely to the extent of one fifth.

In this effort he was not successful. It was held that he had not in fact been a member of the Forces but had at all times been one of the personnel of the Y.M.C.A. Furthermore, he had not taken the Militiamen's Oath, nor was he "in pay as an officer" within the meaning of the section of the Army Act defining an officer. As for Order-in-Council P.C. 44/1555 referred to above, wherein supervisors were deemed to be members of the Military Forces, it was held that by this was meant that they were deemed such members without income tax benefits.

Residence Did Not Cease

The Appellant attempted to support his appeal by other arguments and, in particular, that he had not been a person residing or ordinarily resident within Canada during the years that he was overseas and accordingly was not subject to Canadian income tax. During that period of time, however, his wife and children had remained in a home which had been established in Canada and to which he returned on completion of his service. It was held that his residence in Canada had not ceased.

A final argument was that while overseas he had been a servant or employee of the Government of Canada and was entitled to the exemption afforded by the concluding phrase of Clause (f) of Section 9 (1). On this point, however, it was held that he had at all times been one of the personnel of the Y.M.C.A. and, although paid by the Department of National Defense, was not an officer or employee of Canada.

Counsel for the Appellant was T. E. H. Ellis and for the Respondent D. MacKenzie Brown, both of Vancouver.

Foresee Fight Over Financing Of Cub Aircraft

Shareholders' Group Would Expand Operations; Special Meeting Called

A shareholders' fight appears to be shaping up for Cub Aircraft Corp.

A requisition for a meeting of shareholders said signed by registered holders of almost 24% of the company's outstanding and issued shares, has been served on President R. L. Gibson by a group of shareholders, who charge that he has refused to submit proferred new financing to his shareholders.

The new group, which has offered "upward of $75,000 working capital" and proposes to expand Cub operations to embrace production and marketing of electronic devices, is headed by Norman Vincent, Toronto mining and industrial executive.

Norman Byrne, Hamilton lawyer, acting on behalf of president R. L. Gibson and some of the directors, informs The Financial Post that a full directors meeting was held early last month to consider Mr. Vincent's offer. At that time directors asked further information on the company which Mr. Vincent proposes to merge with Cub. That information has still not been forthcoming, Mr. Byrne said. Cub directors, however, are now arranging to call an early shareholders' meeting pursuant to the request. Under the Ontario's Companies Act a shareholders' meeting must be called if 10% of subscribed shares ask for it.

The offer to Cub is stated to involve Canadian manufacturing and distribution rights to an American line of electronic products now in production in the United States. It is said to also involve a new association with a Canadian company engaged in production of radio, sound equipment and other electrical products. Their intention is to acquire further plant facilities.

In a letter to Cub shareholders Norman Vincent states: "Because of the attitude of Mr. Gibson, and his refusal to place my offer and suggestions before the shareholders, I and several of the directors have petitioned that a special general meeting be held."

According to information received by The Financial Post the following names appear on the requisition calling for the meeting.

Applicants	Shares represented
Norman Vincent	100
E. T. Lynch & Co. (stockbrokers)	25,015
N. A. Adams (Cub director and principal of E. T. Lynch & Co.)	100
Picard & Fleming (stockbrokers)	41,000
Irving R. Picard (principal of Picard & Fleming)	200
	66,415

Confederation Life Adds To Quarter Century Club

Seven new members were admitted to the Confederation Life Association's Quarter Century Club last week each being presented with a choice of watch, silver tea service or salver. The club now has 164 members, many of them working in branches in other countries or on pension. The new members were:

Miss G. STANWAY, Mrs. L. M. MANLAY, Miss M. E. McMANUS, Miss H. M. MEEHAN, Miss F. E. LEDER, F. L. MUNN and F. POPE.

C. D. Devlin, vice-president and general manager, outlined plans for the Founder's Group, composed of men and women who worked at head office with the late John Kay Macdonald, who founded the firm in 1871.

Dominion and Provincial Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing

DOMINION SECURITIES CORPN. LIMITED
Underwriters and Distributors of Investment Securities Since 1901
TORONTO MONTREAL OTTAWA WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
LONDON HAMILTON KITCHENER QUEBEC HALIFAX SAINT JOHN
Toronto, Canada

May we help you with your Christmas Shopping?

Consult our shopper . . . .

- DIAMOND RINGS
- WATCHES
- HANDBAGS
- COSTUME JEWELLERY
- HOUSECOATS
- LINGERIE
- GLOVES & HOSIERY
- BLOUSES

KENT-FAIRWEATHER
90 Yonge St. Toronto, Ont.
EL. 9401

THE PUBLIC SERVICE OF CANADA
REQUIRES
ORGANIZATION AND METHODS OFFICERS
Salaries up to $6,000

Appointees will be required to study possible improvements in the organization and methods of operation of Government Departments. Adequate experience is desirable in Accounting, Engineering, Business Administration or Office Management.

Poster announcements giving full details on display—and application forms obtainable—at Post Offices, National Employment Service Offices and Offices of the Civil Service Commission throughout Canada.

ROYAL SECURITIES CORPORATION LIMITED
Established 1903

Underwriters and Distributors of Government, Municipal, Public Utility and Industrial Securities

Montreal, Toronto, Halifax, Saint John, Quebec, Ottawa, Winnipeg, Calgary, Vancouver, Charlottetown, Hamilton, St. John's, Nfld.

484W

NEW ISSUE

450,000 Shares
no par value

MIDLAND PETROLEUMS LTD.
NPL

Incorporated under the laws of the Province of British Columbia

DIRECTORS

A. J. McDonell, Vancouver, B. C. *M.L.A., Manufacturing Executive.*
E. B. Bull, Vancouver, B.C., *Barrister.*
J. V. Drumheller, Calgary, Alta., *Oil Operator.*
Ernest McDermott, Vancouver, B.C., *Business Executive.*
H. R. Butler, Vancouver, B.C., *Lumber Executive.*

Consulting Geologist: Dr. T. A. Link
Consulting Engineers: Denton-Spencer
Vancouver Office: 314 Hall Building Tel. MArine 1830
Calgary Office: 501 Leeson-Lineham Bldg. Tel. Main 5187

LEDUC-WOODBEND AREA

The company proposes to drill a well, Midland No. 1, in the NW 1/4 SEC. 23, TWP. 52, RGE 27, West of the 4th Meridian. Doctor Link has recommended this site on a seismic anomaly or "high" revealed by a seismograph survey completed in October by Imperial Oil Company and made available to Doctor Link and to Midland Petroleums through the courtesy of Imperial Oil Company.

This issue has been sold privately and this advertisement appears for record only and not as an offering.

Men!

These Creed salesgirls are trained Gift Advisers .. capable of solving your most difficult Christmas Gift problems

HILDA GRIFFITH — SIBI WANIG
MARY WILSON — EDIE CREED
JESSICA HARTLEY — LEXIE GRIEG
GLADYS BOOTHE — SALLY SCHER
CHERIE PHILLIPS

Please Feel Free to Call the Store
Kingsdale 3154

OPEN ALL DAY SATURDAY
now until Christmas

CREEDS
BLOOR STREET

Towers Lauds Employers In Savings Bond Campaign

'Strongest Link in Dollar-Saving Chain . . . Indication of Good Industrial Relations,' Bank of Canada Governor Says

OTTAWA (Staff) — The employers of Canada have shown themselves "the strongest link in the dollar-saving chain," Graham F. Towers, Governor of The Bank of Canada, told The Financial Post this week.

This time, Mr. Towers was talking about Canadian dollars being saved—not U. S. dollars. He was also talking for quotation; something very rare in the life of this 51-year banker who was recently confirmed in office for another seven-year period. (Towers joined the bank when it was formed in 1934; is now starting on his 15th year as Governor.)

Reason for the Towers enthusiasm for publicity was the unexpectedly good showing last month by the 2,700 firms which form the backbone organization in the payroll division, Third Series, Canada Savings Bonds.

"Experience during the war and in the three subsequent bond campaigns," says Mr. Towers, "has demonstrated that employee participation is usually in direct ratio to the interest and enthusiasm of employers. The Government provides the instrument; the employee puts up the money, but the vital link to success is the employer."

When final figures are available, it is expected that close to 540,000 employees, almost all of them in the 2,700 participating firms, will have undertaken to buy savings bonds on the installment plan for 1949. Total amount subscribed is close to $125 millions, or $10 millions more than last year.

The issue of whether these bond campaigns will continue in future, Mr. Towers says will probably solve itself. So long as there is continued employee response, the Government feels it has an obligation to continue. If there were a marked falling off in response, the situation would have to be looked at differently.

"But in all this, the response of the employer, his enthusiasm and co-operation, are absolutely vital to success; our system just doesn't work otherwise" says Mr. Towers, "That is why I am personally so very delighted at the 1948 campaign. We have never had better response. What's more, we have the very definite feeling, after many years of experience, that a good employer-response is an indication of good employer-employee relations."

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HIRAM WALKER-GOODERHAM & WORTS—Consolidated net sales increased $15.7 millions in year ended Aug. 31. Net profit was 31.7% higher at $24,870,572. The past year's profit included a nonrecurring dividend of $1,081,806 received from Canadian Industrial Alcohol Co., an unconsolidated subsidiary.

President Howard R. Walton states that during the past fiscal year, in accordance with the management's long-range program, it has again been possible to increase quotas to the United States and Canadian markets, with the result that positions have been furthered strengthened.

Elimination of grain controls in the United States was accompanied by more liberal allocations of homegrown barley to distilleries in Scotland, so production schedules can now be intelligently planned in all countries where plants are located. The company has since been able to show progress in rebuilding whiskey inventories.

In recent months, Mr. Walton points out, there has been some indication that the market for luxuries, such as alcoholic liquors, was declining in the United States. A definite trend in that direction, coupled with continued high prices of materials used in production and bottling operations, will continue to reduce earnings from the record figure of the past year.

CONS. INCOME ACCOUNT

Year Ended Aug. 31:	1948 $	1947 $
Net sales	310,252,924	294,577,355
Total net income	†45,244,441	36,726,479
Less: Depreciation	1,916,080	1,571,079
Debenture int.	816,288	690,507
Bank interest	44,441	48,432
Amort. deb. disc. & exp.	32,537	34,248
Prem. re deb. red.	......	170,293
Misc. charges	69,356	134,978
Income taxes	17,255,544	•15,181,842
Unreal. exch. loss	239,623	15,530
Net profit	24,870,572	18,879,570
Less: Com. divds.	5,411,527	3,463,377
Surplus for year	19,459,045	15,416,193

†Includes $1,081,806 nonrecurring divd. from nonconsol. subsid.

•After deducting $550,000 tax refund claim re U. S. subsid. loss.

Earnings per Share and Dividend Record:		
Common	$8.62	$6.54
Paid	1.87½	1.20

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1948 $	1947 $
Cash & Dom. bds.	30,214,847	15,216,281
Accts. rec.	14,770,276	20,075,865
Inventories	72,494,246	63,620,479
Total curr. assets	117,479,369	98,912,625
Prep. exp.§	1,690,221	1,154,086
Investments	4,567,193	4,252,378
Misc. assets▴	1,379,117	1,471,106
Fixed assets†	29,366,553	28,536,896
Total assets	154,482,453	134,327,091
Bank loan	208,800	124,100
Acc. pay. & accr.	3,817,111	4,537,445
Divds. pay.	1,082,305	865,844
Taxes pay.	19,253,188	16,698,698
Total curr. liab.	24,361,404	22,226,087
Funded debt	28,561,000	30,000,000
Contingent res.	1,300,000	1,300,000
Capital stock‡	17,241,615	17,241,615
Earned surplus▴	83,018,434	63,559,389
†After depr. of	17,068,493	15,565,211
▴Incl. ref. EPT	927,083	986,377

§Incl. in curr. assets in co's. report.

‡After deducting $88,565, cost of 2,467 shares held by U. S. subsidiary.

Working capital	93,117,965	76,686,538

SHERWIN-WILLIAMS CO. OF CANADA, sales and net profit for the year ended Aug. 31, 1948, were at new high records. Net profit of $1,348,682 was up 31%.

The expansion program, under way since 1944 was completed, with some minor exceptions, and it is expected that expenditures for these purposes will be in more normal amounts in the immediate future, Chairman A. W. Steudel reports. Total cost of the program from 1944 to 1948 was over $2.5 millions. Despite the fact that this was provided for out of earnings, working capital has been increased by $172,513 since 1944.

A note on the balance sheet states, Replacement value, new less depreciation of land, buildings, machinery and equipment of one of the consolidated subsidiaries as of Aug. 31, 1948 as reported by Dominion Appraisal Co. was $835,072; replacement value, new, less depreciation, of the Sherwin-Williams Co. of Canada and the other consolidated subsidiaries as of June 30, 1948, as reported by Canadian Appraisal Co. was $6,196,452."

CONS. INCOME ACCOUNT

Years Ended Aug. 31:	1948	1947
Net income	$$2,891,995	$2,415,887
Less: Deprec.	428,126	208,384
Bank int.	252,742	120,916
Pension allow.	50,470	39,250
Inc. tax res.	811,975	1,020,382
Add: Asset sale	......	2,489
Net profit	1,348,682	1,029,444
Less: Pref. divds.	242,200	242,200
Common divds.	224,720	213,484
Surplus for year	881,762	573,760
Earnings per Share and Dividend Record:		
Preferred	$38.98	$29.75
Paid	7.00	7.00
Ordinary	4.92	3.50
Paid	0.80+0.20	0.75+0.20

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1948	1947
Cash	$309,215	$243,393
Accts. rec.	5,177,046	3,820,834
Inventories	7,799,379	7,663,702
Total curr. assets	13,285,640	11,727,929
Prep. exp.§	316,830	160,869
Inv. & adv. subs.	364,767	363,641
Misc. assets▴	540,118	657,858
Fixed assets†	8,847,451	8,641,554
Total assets	23,354,806	21,551,851
Bank loan	2,890,000	2,950,000
Accts., tax., etc., pay.	4,759,230	3,842,220
Total curr. liab.	7,649,230	6,792,220
Due to subsid.	354,732	240,549
Reserves	20,000	70,000
Capital stock	7,954,400	7,954,400
Surplus↓	7,376,444	6,494,682
†After depr. of	3,382,410	2,981,054
▴Incl. ref. EPT	459,587	601,304
↓Incl. ref. EPT	565,205	601,304

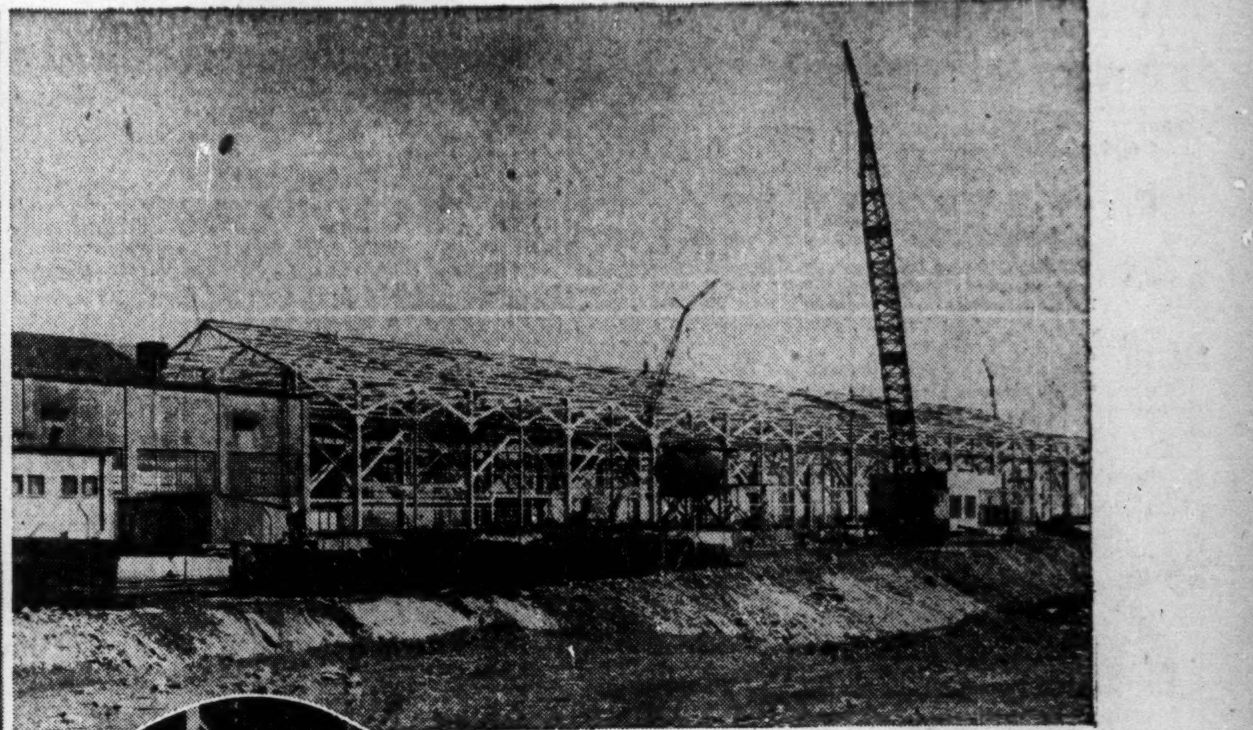
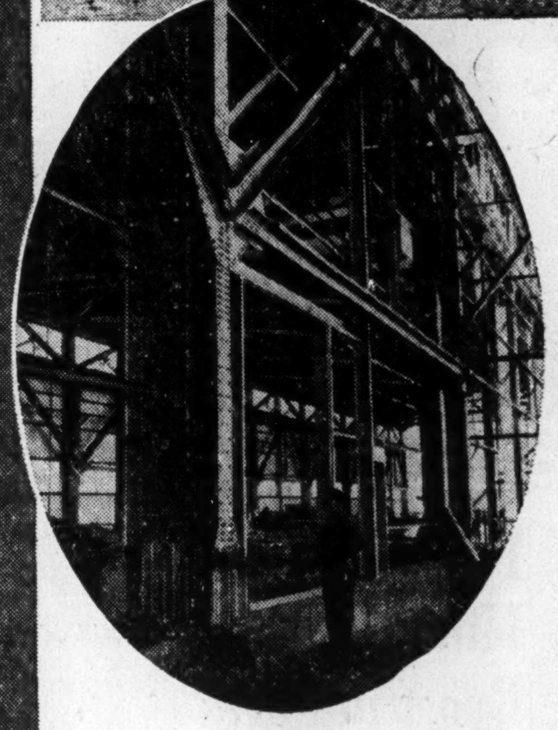
§Incl. in curr. assets in co's report.

Working capital	5,636,410	4,935,709

DULAMA GOLD MINES says that Nov. 18 installment on 200,000 shares at 60 cents a share and 149,995 shares at 75 cents has not been exercised, and Industro-Mining & Investments has a 30-day period of grace before agreement terminates.

NORTH INCA GOLD MINES Nov. 20 installment of 100,000 shares at 30 cents a share has not been exercised, and Trans-American Mining Corp. has 15 days of grace to exercise the option.

JAMAICA PUBLIC SERVICE LTD.—Net income for the nine months ended Sept. 30, 1948, totaled $303,161, a decline from $339,602 for the corresponding 1947 period. Net income for September 1948, however, increased to $33,194 from $31,004 for the same month last year. Operating revenues for the 9-months period were higher at $2,204,155 ($2,018,284), but also up were operating expenses at $1,646,881 ($1,464,057); retirement reserve accruals at $145,000 ($128,750); and interest on debenture stock and other income charges at $122,839 ($96,470). After providing for increased preference dividend requirements, totaling $149,804 ($135,381 last year), earnings per common share for the 9-month period were $1.14, down from $1.51 a year ago.

STRUCTURAL STEEL fabricated and erected by Hamilton Bridge for the recent extension additions to the plant of Steel Company of Canada Limited.

Improved modern equipment and facilities assure accurate and speedy fabrication and erection of any structural steel requirements.

Recent additions to machine shop equipment permit the undertaking of a wide range of mechanical requirements and machine work.

MADE IN CANADA
HAMILTON BRIDGE COMPANY LIMITED
HAMILTON ONTARIO

get that confident look with Forsyth

You always look confident, feel confident, in Forsyth Men's Wear. Every ingredient of the "confident look" is here because Forsyth gives you Canada's highest standard of correct styling, beautiful fabrics, fine craftsmanship and long, look-retaining service in Shirts, Ties, Shorts and Pajamas.

Make sure you get the best possible value for your money. Insist on Forsyth Quality.

"No One Ever Regretted Buying Quality" REG'D

SHIRTS • SPORTSWEAR • PAJAMAS • SHORTS • TIES • SCARVES • HANDKERCHIEFS

F4

...all under one roof!

DEVELOPMENT
DESIGNING
ENGINEERING
TOOLING
MOULDING
ASSEMBLING
plus technical knowledge and experience from start to finish

We specialize in intricate parts for all types of equipment. A complete engineering department is at your service—also technical experts in all phases of plastics production. Is there some manufacturing problem we can help you solve—with plastics?

SMITH & STONE LIMITED
FACTORY AND HEAD OFFICE: GEORGETOWN, ONTARIO
Sales Offices: Montreal, Toronto, Winnipeg, Calgary, Vancouver

(From a full page in the New York Times, prepared by a prominent advertising agency.)

"Few Products Can Succeed—

—without dealer acceptance and co-operation. Yet some firms fail miserably in getting dealers solidly behind their product.

• "Every year, advertisers embark hopefully on advertising programs doomed to failure.

"Let's not blame advertising when the advertising isn't at fault! All successful advertisers know that the secret of good advertising campaigns is sound merchandising. By sound merchandising, we mean a complete sales strategy that co-ordinates all the forces which move goods profitably.

• "And media must be chosen which will best serve to sell the product on every level of distribution.

"Advertising men have learned that no product, no matter how good, or how intensively advertised, can succeed on consumer ads alone. Intelligent and aggressive merchandising must *push* the product — that's what makes advertising click."

There are 51 different ways that Maclean-Hunter Merchandising Newspapers can help your aggressive merchandising. Write today for a check list.

TO SELL MORE TELL YOUR DEALERS MORE!

USE THE MACLEAN-HUNTER MERCHANDISING NEWSPAPER

In your field—It's the leader!

Hardware and Metal and Electrical Dealer • Canadian Grocer • Drug Merchandising • Canadian Stationer • Canadian Bookseller • Painting & Decorating Contractor • L'Epicier • Le Prix Courant • General Merchant • Men's Wear of Canada • Style

MACLEAN-HUNTER Publishing Company Limited, Toronto—Montreal (Merchandising Newspapers Division)

Our Civil Defense Plans

Co-ordinator Reviews Program for Emergency

What's being planned for Canada in civil defense preparedness? What are the problems, how will the organization be set up? Major-General F. F. Worthington, M.C., M.M., co-ordinator of civil defense planning, made his first public statement on the problems before a meeting of the Defense Association in Ottawa last week end. Here is a digest of his address.

BY MAJOR-GENERAL F. F. WORTHINGTON

Civil defense is nothing more than self-defense. It is nothing new in human conflict or to our North American history: our forefathers used many forms of civil defense against the Indians they were displacing. Our problem today is to plan, organize and translate into action plans for our self-preservation against attack by air and by atrocity weapons.

Many of the problems of civil defense are of a psychological nature. Panic control is one of them. Fear of the unknown tends to make us lose all sense of freedom of reason and act like frightened animals. As witness Orson Welles' "Men from Mars" broadcast.

This, a good civil defense organization with people knowing the dangers and what to do in emergency will go a long way to allay fears and prevent panic.

What are the immediate plans in Canada's Civil Defense organization?

The essential function of a civil defense organization in a democracy is to make full use of all existing agencies for public order and service; police, fire-fighters, medical and welfare services; transportation and communication services.

Scientific research, advice and direction will have a stellar role. All forms of social and national institutions are to be brought in; organizations such as the Boy Scouts, St. John Ambulance, the Red Cross and many others. To do all this requires co-ordination and co-operation.

One difficulty we face is that of maintaining civil defense impetus when there is no immediate danger threatened and it would be a great mistake to set up agencies now which, without activity, could not maintain interest. Being almost entirely a voluntary organization it will mean much sacrifice in time and labor among those taking part, for it's essential that they be properly trained and exercised.

What main considerations have to be taken into account in setting up a Canadian organization?

It's obvious that our organization must be decentralized, through federal, provincial and municipal governments, so that it reaches right down into the community; the organization must be flexible enough to meet needs of various parts of the country all having different problems.

The organization must be capable of rapid expansion in an emergency that may come with little or no warning. It's important to choose for key personnel those who will not be required for other vital war work. If such personnel were subsequently withdrawn the organization might be crippled.

Keeping the public informed is also an important factor. Public information should aim to tell of the dangers yet not frighten.

What about training problems?

Volunteers must be properly trained in the use of equipment, specially-selected personnel must be trained to perform specific tasks. And many new specialized skills will be required in radiological defense, for example.

Effective civil defense measures along with prompt treatment may reduce fatalities by 70%. Many others can be saved by keeping them from contaminated areas with the proper use of radiation-measuring equipment to mark them off.

Defense against war gases requires a study, research and planning of protective measures. The fact that we know how to meet insidious attacks of these kinds will greatly reduce the likelihood of any enemy using them. Likewise defense or protection against other special weapons will require utilization of qualified agencies.

Fire hazard in Canada alone, is very great and should give us all considerable concern.

One simple little factor is the lack of standardization of fire hose coupling, since up to 300 different types are used in Canada. In some areas this is almost comparable to going into a battle where every rifleman of an infantry battalion is equipped with a different calibre weapon.

There must be a system of warning-communication to work in the closest co-ordination with the armed forces.

How can civil defense be used in peacetime?

Although civil defense is designed basically for war, it has a useful place in a natural disaster falling upon any one community.

For example, in the great floods in the Fraser Valley had a shadow civil defense organization existed, capable of getting into action speedily, the work of fighting the floods would have been easier. As it was, the reserve armed forces were out over three weeks and the effect upon our military training was that it almost completely nullified the possibility of training at the western annual camps this year.

1.2 Million HP at Lachine Under Seaway-Power Plans

OTTAWA — The Government's board of engineers, named in September, 1947, to study the Canadian Lachine Rapids section of the St. Lawrence Waterway system, chaired by R. A. C. Henry, finds original 1926 proposals in this section are quite unsuitable to present needs and conditions.

Instead, a completely new set of proposals is submitted. Out of four alternatives, the board picks two as being most suitable:

1. A project for navigation development alone which would cost $87.3 millions.
2. A project for combined navigation and power which would cost either $275 millions or $266 millions, depending on which of two proposals is adopted.

The combined power and navigation project calls for a total future power installation of 1.2 million h.p. This is the major new development in the board's recommendations. The original 1926 report suggested utilization of only part of the river head for power. The board is of the view that any project for the combined development of navigation and power should utilize the total available head.

In all the board recommendations, the navigational standards of the 1926 St. Lawrence Waterway plan have been followed. These calls for 27-foot navigation with permanent works built for an eventual 30-foot channel.

Estimates are based on 1948 prices. It is expected that construction will extend over a six-year period.

The board has followed governmental practice and excluded any costs for interest charges during construction.

Other members of the board were Dr. T. H. Hogg, consulting engineer, Toronto; Dr. Arthur Surveyer, consulting engineer, Montreal; Guy Lindsay and C. W. West, Department of Transport.

See U.S. Pulp Market Off As Sulphate Prices Drop

MONTREAL (Staff)—A general weakening in the U.S. pulp and paper market is indicated by the recent announcement that prices of Canadian bleached and unbleached sulphate pulp have dropped $10 to $12.50 a ton. Recent quotations list unbleached sulphate at $115 to $125 a ton and bleached sulphate $147.50 to $150. A new brand of U.S. bleached sulphate is quoted at $136 to $155.

This price drop coincides with trade reports that supply and demand have now reached a state of approximate equilibrium. In many grades it is stated that it reflects a surplus over mill requirements.

Such a price move was foreshadowed, it is stated, by the fact that Northern European pulp prices for fourth quarter 1948 delivery were reduced substantially below third quarter offerings. Up until the recent drop of Canadian pulp prices, European quotations were only slightly higher than on most grades of Canadian and U.S. pulp. Now Canadian pulp has regained the advantage price rise. Big question is: Will European prices come down still farther?

Actually, Canada ships a comparatively small tonnage of sulphate pulp to United States. During the first nine months of this year, the total was 131,000 tons from Canada and Newfoundland. While this represents an increase of more than 20% over last year's exports, it is still little more than one-third of sulphate pulp shipments. Total shipments of sulphate for the nine months were 377,000 tons.

Most important feature of the price decrease, it is said, is the effect on new Canadian sulphate capacity. Three companies started new sulphate production last year, another one this year, and two more are planned. Of the other pulp and paper producers it is believed that Consolidated Paper Corp. is the only one which has any significant tonnage of surplus sulphate pulp. This company is reported to have approximately 24,000 tons of saleable kraft pulp, annually. Following is a list of new sulphate capacity either in operation or planned.

	Annual Tonnage
In 1947:	
K.V.P. bleached sulphate	67,500
Marathon bleached sulphate	90,000
Bloedel, Stewart and Welch unbleached sulphate	49,500
In 1948:	
Long Lac Pulp and Paper bleached sulphate	90,000
Planned:	
H. R. MacMillan Export bleached or unbleached	67,500
Fraser Cos. unbleached	36,000
Total	400,500

Electric Razor, Boudoir Chair In CNR's New Luxury Cars

MONTREAL (Staff)—Opinion of railwaymen that the trend is toward spacious and more comfortable passenger day coaches was confirmed this week in an announcement of an order by Canadian National Railways for 25 de luxe passenger cars.

The new coaches, to be built by Canadian Car & Foundry Co., will feature spacious lounges at both ends of each car, alcove seats and full length mirrors. There'll be outlets for electric razors in the men's lounge and a vanity dressing table with winged mirror and boudoir seat in the ladies' lounge. Latest in air-conditioning will be installed.

Interior of the car is divided into two compartments, with total seating space for 60 passengers. Of this total, smoking section will seat 28, with removable tables for lunching or recreational use.

Individual adjustments are possible for the rubber-cushioned revolving and reclining seats. Five five-feet-wide picture windows and lighting fixtures with focusing lenses over each seat are also featured.

Low-alloy, high-tensile steel will be used primarily in the construction of these all-welded coaches. Vibration will be minimized by use of bolster anchors and pads between the journal boxes and equalizers.

In addition to total of $35.5 millions of equipment for CNR now on order, a large modernization and rehabilitation program for passenger equipment is under way in company shops, R. C. Vaughan, president and chairman, states.

Although no new passenger equipment was obtainable during the war, and only a small number of cars since, there is hope that the equipment situation will improve in 1949, Mr. Vaughan said. Shortage of materials and high costs of supplies and wages have to be taken into account at present, he added.

VERNON, B.C., has sold $285,500 3½% school debentures to Anderson & Co. and R. A. Daly Co. The debentures run for 20 years. Price was $100.463 or a cost basis to the city of about 3.45%.

North Star Oil Net Up 10% Proxy Battle Seen Possible

Net profit of North Star Oil, Ltd., for 1948 to date is running about 10% higher than in 1947, G. T. Chisholm, president and general manager, tells The Financial Post.

A letter has been sent shareholders, signed by Archibald A. Marshall, chairman Shareholders' Representative Committee, asking for proxies to represent shareholders' interests.

The Committee asks "proper recognition of the shareholders' rights to share in the profits of our company and receive dividends as earnings will permit." It also contends that "it would be to the best interests of all shareholders if the company's capital consisted of a single class of stock, and provision should be made to allow preferred shares to be exchanged for common on an equitable basis."

Pointing out that the company has had consistent common share earnings since 1934 and that 1947 net earnings were 83c a common share, the letter states "for some unexplainable reason, in view of the sound financial position of the company, the management maintains one dividend in arrears on the preferred of only 8¾c. The balance sheet also shows a capital surplus of $565,738 and an earned surplus of $854,715 . . . Investors do not place their life savings in the securities of a company without expecting to receive a part of the earnings as dividends while they are still alive. Plowing back all earnings, without consideration for the shareholders, is not altogether the best policy."

A checkup of the records showed, according to the letter, that G. T. Chisholm, president and general manager, W. R. Macarthur, vice-president and assistant general manager, and A. Havelock, vice-president and assistant general manager, each owned only one common share and no preferred shares; W. E. Meikle, director, owned 1,625 common and 510 preferred shares: and Harry Ford, director, owned 500 common and 300 preferred shares.

In reply to this, Mr. Chisholm states that he owns 9,000 common shares and 3,000 preferred shares; that they are not now in his name, but that he is arranging to transfer them to his name.

The company is also short of working capital, so that payment of common dividends is not warranted, Mr. Chisholm explains. Working capital at Dec. 31, 1947, amounted to $270,841. Of the total current assets of $2,673,144 at Dec. 31, 1947, inventories, at lower of cost or market, less reserve, totaled $2,090,898; while of total current liabilities of $2,402,303, accounts payable totaled $2,138,425.

The company expects to be caught up on its preferred dividend arrears next April 1, when it anticipates paying the remaining 8¾c a share of arrears, Mr. Chisholm stated. A similar extra was paid on April 1, 1947, and 1948.

Capitalization consists of $200,000 shares of 7% preferred, par $5 and 200,000 shares no-par-value common stock. At the time of the original offering of the preferred each share carried a bonus of 40% common stock, Mr. Chisholm pointed out.

IDA Course 2 Now Underway

The new educational course of the Investment Dealers Association of Canada, "Principle & Practices of Investment Finance in Canada—Course II" (The Financial Post Oct. 30), got under way last week.

Nationwide support is indicated for the program from the enrolment of 351 students. These are distributed as follows:

Maritimes district, 20; Eastern district, 89; Central district, 136; Western district, 28; Alberta district, 22; Pacific district, 55. There is also one entrant from Jamaica, British West Indies.

To your boy, you're the great protector...Are you?

WHAT'S behind those big earnest eyes when your boy looks at you? Certainly not knowledge of the uncertainties of life . . . simply an unquestioning faith in your ability to protect him, and provide for his needs.

Have you forgotten something? Would he continue to have all of mother's attention, and a home free to grow up in, if you were prematurely taken from your family? You will enjoy your home more if you provide now for income to meet the mortgage payments and family expenses should the day come when your family is "on its own". Call in your Imperial Life representative today, and find out how you can do it—conveniently—quickly.

IMPERIAL LIFE

FOUNDED 1897 HEAD OFFICE: CANADA

Ask Alberta Take Second Plebiscite

From Our Own Correspondent

CALGARY—A second plebiscite on public ownership of power facilities in the province, was asked by the Alberta Association of Municipalities, with only three dissenting votes.

The first plebiscite, taken in August, showed private ownership favored by 138,259 votes to 137,556, with 16,339 spoiled ballots. The Association termed this vote "ill-timed . . . completely unsatisfactory . . . sectional and indecisive."

These Preferred Shares having been sold, this advertisement appears for record purposes only.

Additional Issue

$5,000,000

The British American Oil Company Limited

3¾% Cumulative Redeemable Sinking Fund Convertible Preferred Shares

(Par Value $25 Per Share)

Being part of an authorized issue of $20,000,000 Preferred Shares of which $15,000,000 3¾% Cumulative Redeemable Sinking Fund Convertible Preferred Shares will be outstanding upon completion of this issue.

Convertible as follows at the option of the holder into Common Shares of the Company at any time up to and including December 31, 1956, unless previously redeemed, in each case taking the said Preferred Shares at $25 per Share;

at the rate of $25.00 per Common Share if converted on or before December 31, 1950;
at the rate of $27.50 per Common Share if converted thereafter and on or before December 31, 1953; and
at the rate of $30.00 per Common Share if converted thereafter and on or before December 31, 1956,

with provision that no fraction of a Common Share will be issued on any conversion but the Company may at its option issue a bearer fractional certificate which, with further like fractional certificates aggregating one whole Common Share will entitle the bearer to receive one fully paid Common Share, or may adjust any fraction at an amount in cash equal to so much of the par value of the said Preferred Shares surrendered for conversion as shall represent the fraction. Provision is made for adjustment of the conversion rate in the event of dilution of the Common Shares.

In the opinion of Counsel these 3¾% Cumulative Redeemable Sinking Fund Convertible Preferred Shares are investments in which The Canadian and British Insurance Companies Act, 1932 as amended (Dominion) states companies registered under it may invest their funds.

A Prospectus containing details of this issue is available upon request.

We, as principals, offer these shares if, as and when issued, subject to approval of all legal matters by Messrs. Lash & Lash, Toronto.

Price: $25.25 per share

Dividends on the shares of this additional issue will accrue from date of issue, December 17, 1948. Deduction will be made from the purchase price for the amount of the dividend from such date to December 31, 1948, if payment is received on or before December 17, 1948, and if payment is received thereafter and before December 31, 1948, deduction will be made of an amount equivalent to dividend from date of payment to December 31, 1948.

Definitive Share Certificates are expected to be available for delivery on or about December 17, 1948.

The listing of this additional issue of 3¾% Cumulative Redeemable Sinking Fund Convertible Preferred Shares on The Toronto Stock Exchange and the Montreal Stock Exchange has been approved subject to the filing of documents.

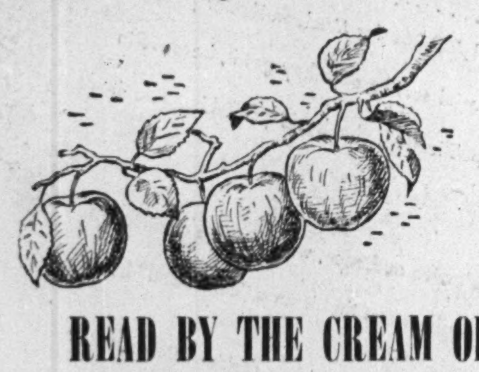
The right is reserved to reject any or all applications and also in any case to allot a smaller number of shares than may be applied for.

A. E. Ames & Co. Limited

Dominion Securities Corpn. Limited — Wood, Gundy & Company Limited — Greenshields & Co Inc
McLeod, Young, Weir & Company Limited — L. G. Beaubien & Co., Limited — Wills, Bickle & Co.
James Richardson & Sons — W. C. Harris & Co. Limited — Cochran, Murray & Co., Limited
Mills, Spence & Co., Limited — Burns Bros. & Denton Limited — Gairdner & Company Limited
W. C. Pitfield & Company, Limited — Midland Securities Limited — R. A. Daly Co. Limited
Fraser, Dingman & Co. — H. B. Housser & Co. — Brawley, Cathers & Co.
Crang Securities Limited — Collier, Norris & Quinlan Limited — J. C. Boulet, Limitée
René-T. Leclerc, Incorporée — Geoffrion, Robert & Gelinas, Inc. — Mead & Co. Limited
Eastern Securities Company Limited — Tanner & Co. Limited — Houston, Willoughby & Company Limited
Pemberton & Son Vancouver Limited — The Western City Company Limited — Yorkshire Securities Limited

Stanbury & Company Limited

Plant where yields are rich!



READ BY THE CREAM OF MONTREAL'S FRENCH MARKET

OVER 27,000 BETTER CUSTOMERS BUY MONTREAL-MATIN IN THE MORNING

• Greater circulation than any other French morning newspaper.
• 98% of circulation in Montreal City Zone.
• Circulation tripled in six years, and growing steadily.
• Steady growth indicates reader interest.

Take a tip from leading national advertisers and see that Montreal-Matin is on your media list

MONTREAL-MATIN

D. W. CAMPBELL, ADV. MGR.
1124 MARIE ANNE ST. EAST, MONTREAL 24

Ontario Representative:
D. L. Boufford, 112 Yonge St. (WA. 8509) Toronto

LABOR ROUNDUP By RONALD WILLIAMS

Will New Spirit of Give-and-Take Usher in Era of Industrial Peace?

Has Canada entered a new era in industrial relations where major strikes will be the exception rather than the rule?

This week, as the curtain began to close on a year which had been relatively strike-free, many labor men thought so.

Among them were Norman S. Dowd, executive secretary of the Canadian Congress of Labor and Percy Bengough, president of the Trades and Labor Congress of Canada.

With certain reservations, both saw "good prospects" of labor peace for years to come.

Their predictions were based partly on statistics, partly on trends and developments among labor and management.

For the first 10 months of the year, time lost due to strikes (864,466 man-days) was substantially below previous years. This was but 39% of 1947 and only 17% of strike-torn 1946.

But more important than this improvement was the fact that it came at a time when prices were rising faster than wages. Despite the fact that in many cases, "real income was declining, labor, generally speaking, did not resort to the strike weapon.

The CCL's Dowd offered this explanation: Most unions had found it "fairly easy" to negotiate good contracts this year. Employers generally had tended to recognize the needs of employees for wage increases to keep up with prices.

On the whole employers had been willing to recognize the bona fides of labor and to recognize that they have a place in the economic set-up.

This meet-you-half-way spirit removed a lot of bad feeling. Present harmonious relations in the Steel Co. of Canada and the Ford Motor Co. of Canada are good examples.

"In many cases," said Dowd, "we have found employers more willing to grant the check-off and other forms of union security. This leaves unions free to concentrate on their main job—the improvement of production and the establishment of good working conditions in concert with management."

However, both Dowd and Bengough had a couple of ifs and buts. What they term "repressive labor legislations" could upset the apple cart; as could certain economic factors. Bengough stressed that there is still considerable concern over the cost-of-living although it is now showing signs of stabilizing.

There are still "bad spots" as they call them, and also employers who still "have the mid-Victorian outlook that unions represent unnecessary interference in their business." These, they say, will be cleaned up. But both agree we are in for a period of comparative labor peace.

• • •

Conroy Accepts Red Challenge

While the uproar at the recent CCL convention over Communism was at its peak, a miner from Drumheller, Alta. got up and challenged CCL Secretary Pat Conroy to go out West and "talk anti-Communism" to the Drumheller local of the United Mine Workers.

"I accept," shot back Conroy, "but I know before I go that it will be packed with Commies."

Last week, Conroy made good. As he had predicted the meeting was packed with Reds.

Conroy repeated his call that it is up to every local in the CCL to "clean house of Communists if we want progress. The policy of the CCL and the United Mine Workers is to clean its ranks."

(Of all the 30,0000 members of the Mineworkers in Canada, only the 1,800-member Drumheller local is Communist-controlled.)

Conroy was booed and heckled as he had been at the CCL convention. But he stuck to his guns: Referring to LPP support of the Liberal Party in 1945, he charged: "We are not going to be caught as in 1939, whether it be by Black Fascists or Red Communists; whether it be by Stalin or Hitler."

This precipitated a brief but bashing skirmish in the front of the hall during which Conroy was threatened physically.

During the question period, Conroy gave better than he received. One questioner who said he wanted to make it clear he was not a Communist, nor a member of the LPP, was effectively squelched when Conroy returned: "If you are not, you are cheating them out of dues since you have followed LPP policies for years."

• • •

Red Apologist Quits in B.C.

The resignation of white-thatched Danny O'Brien, as president of the British Columbia Federation of Labor, just about completes the rout of the leftwingers in the province's policy-making bodies. For years O'Brien has been the Commies' No. 1 apologist.

First the Reds were cleaned out of the Vancouver Labor Council. Then there was a partial house-cleaning in the Federation of Labor. The recent election of officers saw Communist influence whittled from 100% to about 50%. The resignation of O'Brien leaves two vacancies. The other was created when the B. C. Woodworkers bolted the CIO and Vice-president Harold Pritchett had to give up his seat.

These vacancies will be filled with representatives of the CIO Mine, Mill & Smelter Union and the Canadian Brotherhood of Railway Employees. The former will almost certainly vote the party line; the latter just as surely against it. This will give the anti-Communists a majority for the first time.

O'Brien quit when the Federation passed a resolution (6-5) condemning the bolting of the Woodworkers and supporting the CIO International. Trouble had been brewing on this ever since O'Brien presided at a meeting of the breakaway group the night they formed their rump outfit.

O'Brien's resignation was "welcomed" by Bill Mahoney, CCL Western Director. Into O'Brien's shoes stepped an out-and-out Communist, Bill Stewart, by reason of his position as first vice-president. However, the anti-Communists now have the majority.

• • •

CSU Back In News

The Red-run Canadian Seamen's Union was back in the labor news last week. Again, it wasn't the best kind of publicity.

At Montreal, a Conciliation Board considering the merits of a new contract between deep-sea operators and the union, was told that ships at sea had been placarded with signs and photographs of the Communist hammer and sickle.

J. Arthur Mathewson, acting for the ship owners, produced one photograph to support his contention that the CSU was "Communist-led, Communist-filled and Communist-bent." The photograph was removed when the ship reached Buenos Aires.

Jerry McManus, Communist secretary of the CSU, didn't help matters either. While President Harry Davis was defending the "rotation hiring system" enforced by the union as a safeguard against discrimination, McManus butted in.

He interjected that his union was willing to abide by the rulings of the Federal Department of Labor.

Halting him, Mr. Justice Wilson said: "You will be given every opportunity to make whatever statements you deem advisable. At the moment, you have interrupted quite unnecessarily. You will be given your chance."

"I hope so," retorted McManus.

"I trust you believe so," countered the Court.

Meanwhile, at Ottawa, the new Canada Labor Relations Board (see below) in one of its first decisions, dismissed the CSU appeal to have its dispute with Great Lakes operators authorized under the new Federal Labor law.

The CSU sought permission to take court action. The Board ruled that this had been given by its predecessor last year. For reasons of its own, the CSU dropped the case, and went on strike.

The Board ruling, as interpreted by a Labor department official, means that before permission can be given again, the union must try to negotiate with the companies. Only if they refuse, can another request for leave to prosecute be considered.

• • •

Ontario Adopts New Labor Act

The new Federal Labor code has gone into effect. Its full title was quite a mouthful: The Industrial Relations and Disputes Investigation Act and Rules of Procedure of the Canada Labor Relations Board.

Meanwhile, it was announced in Toronto that Ontario's new labor code, a duplicate of the Federal legislation, would be proclaimed within a week. By making the Federal Act applicable in Ontario, the Ontario Government was doing its bit toward uniformity in Canadian labor laws.

As the first step, Ontario Labor Minister Daley cut the size of the Ontario Labor Relations Board from seven to five to conform with the Federal Act.

• • •

Labor Briefs

Saskatchewan Federation of Labor (CCL) wants present provincial minimum wage raised from \$18.50 in cities and \$16 in small towns and villages raised to \$43 for 44-hour week.

Sequel to strike which tied up all Vancouver foundries in 1946, workers at Reliance Foundry Ltd., voted to break away from Vancouver District Metal and Chemical Workers Union (CIO-CCL Mine, Mill, Smelter Workers).

Communist-run AFL Textile Workers (7,000 members) program for 1949 is 20c an hour raise; two weeks' vacation with pay; 40-hour week; union shop; employer-paid retirement pensions; full seniority protection.

Ontario Labor Relations Board gave AFL Amalgamated Silver Workers' Union leave to prosecute H. J. Cradduck, president Beneduct-Proctor Co., Trenton, on charges of violating labor regulations.

Red-run Canadian Seamen's Union will seek master contract covering all lake shipping companies. Other demands: \$30 monthly raise; 48-hour week. CSU has agreements with most small lake operators. Major firms refuse to deal with them.

At Rouyn, Que., Communist-controlled CIO Mine, Mill, Smelter Union threatened "drastic action" unless Quebec Labor Relations Board certifies union as bargaining agent for Noranda Mines. Union lost certification last June when Ottawa returned labor jurisdiction to provinces.

• • •

McKinnon Strikers Fined For Assault

Midway during the four-month strike at St. Catharines, Ont., McKinnon Industries, Albert Hillier, like a lot of his fellow-strikers, thought they should have been given a chance to vote secretly on a new company offer.

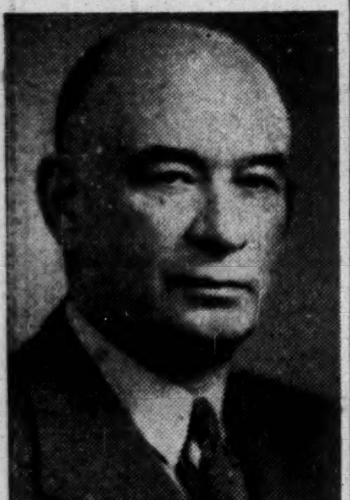
Hillier, a former president of the CIO Auto Workers' local was the only union man to say what he thought publicly.

One evening while he was having a glass of beer in St. Catharine's York Hotel, Hillier was set up by six men. A professional boxer in his early days, 48-year-old Hillier put up quite a battle but he was no match for his attackers. He took quite a beating.

Last week four were convicted of assault and fined \$100 each. All were fellow-strikers. One of the three unionists was Lloyd Hawke one of Ontario's more important Communists, a member of the Ontario Committee of the LPP. He is also vice-president of the local. Two others were also union officers. Charges were not laid against the other two.

The motive behind the attack was made quite clear in the evidence. Testified Hillier: "They sat down and started to berate me. They accused me of supporting the . . . suggestion to take a secret vote to end the strike."

ON METAL COMPANY BOARD



—Photo by Milne Studios

HARRY W. KNIGHT

Howard I. Young, president of American Zinc, Lead and Smelting Company, St. Louis, Missouri, announces the appointment of H. W. Knight to the Board of Directors of the Company. Mr. Knight is president of Golden Manitou Mines Limited and International Metal industries Limited and a director of Toronto Iron Works Limited, Chesterville Mines Limited and Quebec Manitou Mines Limited *

Hope Confederation Won't Impair Nfl'd Fish Market

Special Correspondence

ST. JOHN'S—A heavy weight was lifted from the shoulders of fishermen and fish exporters here recently when Ray Gushue, Chairman of the Newfoundland Fisheries Board, returned from the negotiations in Ottawa and stated that he "was not displeased with the progress of the talks so far as the fisheries were concerned."

Because of the secrecy surrounding the talks he couldn't say more than that; but the implications of the statement have made the industry here happy.

As Gushue is a strong upholder of the value to Newfoundland's fisheries of the present controlled inspection, production, and marketing, the first implication is that Newfoundland Fisheries Board and Newfoundland Associated Fish Exporters Ltd., (NAFEL) setups will either remain as they are under Confederation, or will be only slightly altered.

One fish exporter takes the statement to mean that the Fisheries Board will be shorn of some of its powers which conflict with federal functions but will in the main remain as is; but at the same time the powers of NAFEL will be slightly decreased.

Right now NAFEL controls all fish marketing here; but to control marketing effectively under Confederation, the organization would have to control exports to other Canadian provinces, thus raising a barrier to free interprovincial trade, contrary to the BNA Act. It is taken, therefore, that NAFEL will continue to control all exports except those going to Canada. This method would not be so effective as at present, but is much better than losing marketing control altogether, as was feared.

Another implication which fishermen have drawn from Gushue's statement is that Canada has agreed to do all she can to protect this country's huge stake in the European markets, which now take 40% of the Island's total fish production. To do this, Canada will have to provide exchange necessary to overcome the sterling bloc. At present Newfoundland overcomes this barrier by accepting sterling payments for fish which are put against the sterling debt, and paying local fishermen and exporters in dollars taken out of the surplus account. How Canada will be able to do something of the same sort without being pressed to do the same thing for other Canadian commodities affected by the bloc is unknown; it may be done on a very temporary basis only—say for the first year of the union.

Another statement made by Gushue was to the effect that this country's present system to bait depots and supplying of bait to fishermen would not be disrupted. Implication here is that the Federal Government will take over the running of the system, because the financial needs of the services will be beyond the capacity of the provincial treasury.

There is one problem, however, which Gushue's brief statements did not cover. That is the disinclination on the part of the Newfoundland importer to lay in large stocks of Canadian goods for fear of substantial losses on goods on which Newfoundland duties have been paid when this country's tariff is changed for the Canadian system. This caution may delay next year's fishery with a consequent drop in production (The Financial Post, Aug. 28). The solution to this particular problem is still unknown.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

IMPERIAL VARNISH & COLOR CO. net profit for the year ended Aug. 31, 1948 was up 18%. Sales showed "a very healthy improvement," but, due to increased cost of materials, and general increase in business operation, net profit has not increased proportionately, President G. C. McEwen states.

Fixed assets increased by \$129,-344 during the year. The expenditures were essential to modernize plant; improve service to customers; and provide accommodation for employees. Business so far this year compares very favorably with the same period last year, and the construction industry would appear to have many more months of activity before it, it is said.

INCOME ACCOUNT

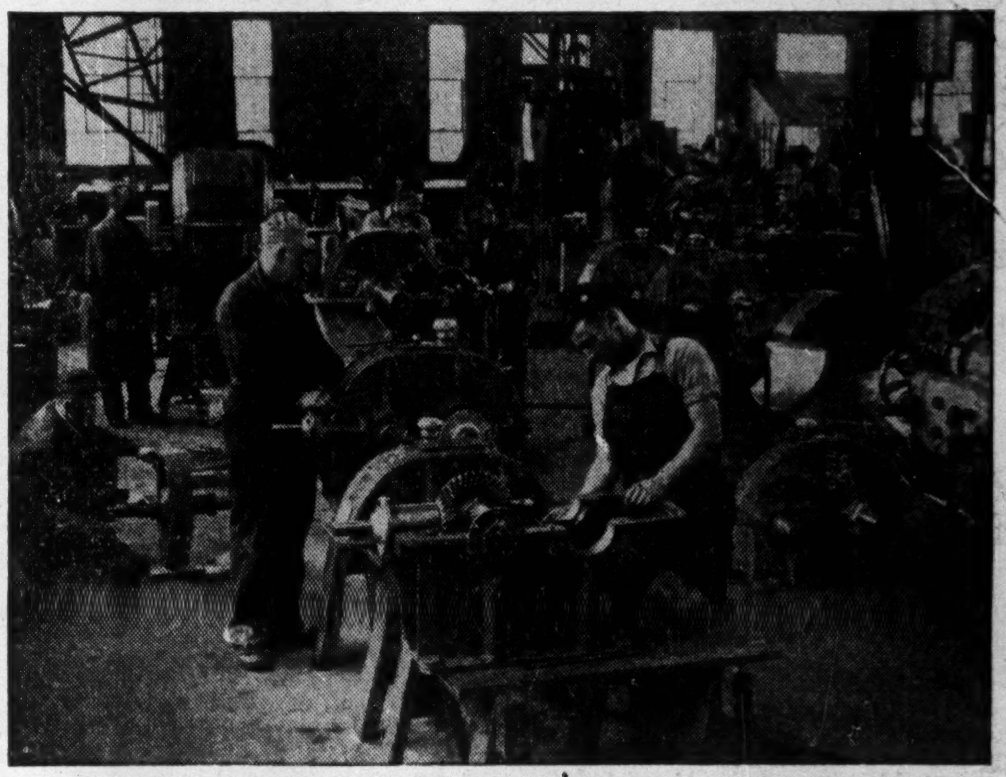
Years Ended Aug. 31:	1948	1947
Net oper. income	\$300,076	\$317,797
Less: Deprec. res.	50,516	41,634
Income tax	94,500	141,000
Tsf. to invent. res.	25,000	25,000
Net profit	130,060	110,163
Less: Pref. divds.	16,083	16,083
Com. divds.	50,930	40,207
Surplus for year	63,047	53,873
Earnings per Share and Dividend Record:		
Preferred	\$12.13	\$10.27
Paid	1.50	1.50
Common	2.13	1.75
Paid	0.80 + 0.15	0.60 + 0.15
Pref. & com. (partic.)	2.02	1.71

CONDENSED BALANCE SHEET

As at Aug. 31:	1948	1947
Cash	\$91,722	\$235,311
Accts. rec.	237,227	192,460
Investments	10,947	10,947
Inventories	780,106	551,611
Total curr. assets	1,120,002	990,332
Misc. assets▲	69,501	71,673
Fixed assets†	430,204	349,795
Total assets	1,619,707	1,411,800
Accts. & tax. pay.	405,845	289,132
Dividends pay.	14,742	12,062
Total curr. liab.	420,587	301,191
Invent. res.	150,000	125,000
Capital stock	357,400	357,400
Earned surplus▲	691,720	628,206
†After depr. of	575,968	527,687
▲Incl. refd. EPT	24,543	28,746
Working capital	699,415	689,138

ST. ETIENNE DE LA MALBAIE, county of Charlevoix, Que., School Commission has sold \$108,000, 3% bonds, due Nov. 1, 1949-58, to Banque Provinciale du Canada. Price was 98.926 at net cost to commission of 3.2487%. Grant of \$60,-000 given by provincial secretary is for servicing the loan in six annual installments. Present loan represents only long-term debt; poulation 5,000.

KENNEDY • Owen Sound • Canadian Representatives of FALK • Milwaukee, Wis.



...WHEREVER SPEED REDUCERS ARE NEEDED

IT'S ALWAYS FALK FOR EFFICIENCY

PARALLEL SHAFT • RIGHT ANGLE HORIZONTAL • RIGHT ANGLE VERTICAL

SINGLE REDUCTION • DOUBLE REDUCTION • TRIPLE REDUCTION

ALL-MOTOR MOTOREDUCERS

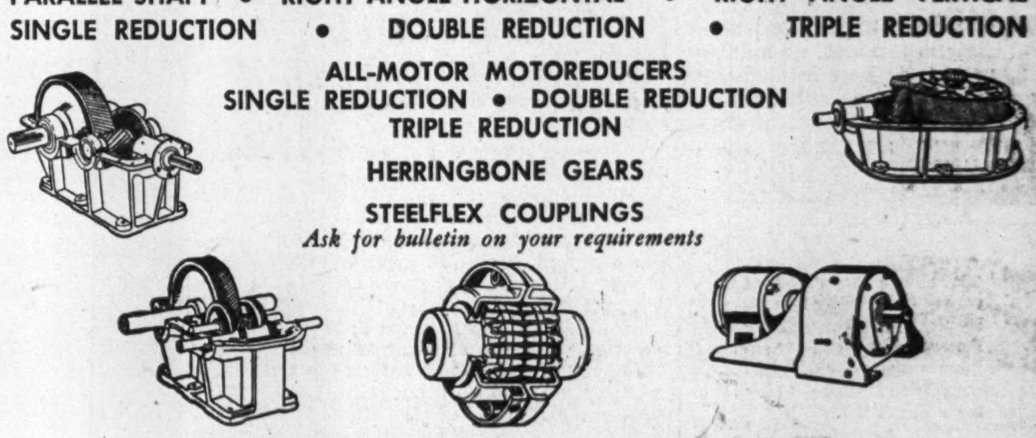
SINGLE REDUCTION • DOUBLE REDUCTION

TRIPLE REDUCTION

HERRINGBONE GEARS

STEELFLEX COUPLINGS

Ask for bulletin on your requirements



THE WILLIAM KENNEDY & SONS LIMITED

OWEN SOUND, ONTARIO

STEEL FOUNDRIES AND ENGINEERING WORKS

MONTREAL: Canada Cement Building — HALIFAX: C. A. Fowler, Capitol Building

NORANDA: V. K. Polk, Box 334 — HAILEYBURY: John H. Brumell

CANADIAN GENERAL SECURITIES LIMITED

MEMBERS OF THE INVESTMENT DEALERS ASSOCIATION OF CANADA

AND

D. E. STEWART & COMPANY

MEMBERS OF THE MONTREAL STOCK EXCHANGE

ANNOUNCE THE REMOVAL OF THEIR OFFICES

FROM

CANADA PERMANENT BUILDING

320 BAY STREET, TORONTO 1

TO THE NEW

BANK OF MONTREAL BUILDING LOCATED AT

50 KING STREET WEST, TORONTO 1

TELEPHONE PLAZA 2521

TRADERS FINANCE CORPORATION LIMITED

WE WISH TO ANNOUNCE THE REMOVAL OF OUR

HEAD OFFICE

FROM THE

CANADA PERMANENT BUILDING

TO THE NEW

BANK OF MONTREAL BUILDING LOCATED AT

50 KING STREET WEST, TORONTO 1, CANADA

TELEPHONE PLAZA 2521

OUR TORONTO BRANCH WILL CONTINUE TO OPERATE AT THE

CANADA PERMANENT BUILDING

320 BAY STREET, TORONTO 1, CANADA

TELEPHONE ADELAIDE 3241

ANY BOOK MAY BE OBTAINED OR ORDERED FROM TYRRELL'S

TYRRELL'S Booksellers for over 50 years

820 Yonge St., Toronto 5 KI. 6118

Please send the following books:

I enclose ....

and charge to my account

Name

Address

Books sent postage free world wide

$1,652,266 for Services Rendered

Last year, readers paid \$1,652,266 for Maclean-Hunter publications. They paid for editorial service and they got it, because in every Maclean-Hunter publication, the basic publishing rule is that Readers Come First.

That creates a loyal, selective audience, whether on a publication that is on a fully paid basis or one that is on a "controlled" basis.

Because we insist on getting and holding reader interest, your selling message in any Maclean-Hunter publication gets quick, active attention from an interested market. It isn't wasted on an apathetic audience.

For your money, you get honest advertising value, built on editorial leadership . . . and the audience you want to reach, gathered by sound circulation methods.

36 PUBLICATIONS—EACH A LEADER IN ITS FIELD

Maclean-Hunter

MACLEAN-HUNTER Publishing Company Limited, Toronto, Montreal

MACLEAN-HUNTER Publishing Corporation, Chicago, New York

MACLEAN-HUNTER Limited, London, England

Farmers and Income Tax Problem

Are They Paying Their Share? Here's Economist's Reply

Are Canadian farmers paying their fair share of income tax?

The Citizens' Research Institute of Canada points out that in 1946, net farm income in cash and kind was estimated as just under $1.4 billion; the 40,000 farmers who paid income tax showed a total income of only $85.5 millions.

J. E. Lattimer, chairman and professor of economics, Macdonald College (McGill) and outstanding farm economist, in an article especially written for The Financial Post, declares that the only fair comparison is between farmers and others who are in business for themselves; that farmers are lax because they do not have proper accounting systems, and that the farmer can't be expected to pay income tax when he must take controlled prices for his goods.

By J. E. LATIMER

Farmers have traditionally favored income tax as a source of public funds, as it is a fairly dependable evidence that they had an income. During the decade of the thirties this was their constant cry. This is a point that needs elaboration.

For Use in Comparison

Farmers are the largest group in our economy working for themselves. This is one reason why they get off so easily in income tax, but comparisons of their payment of income tax should be made with other groups who are in business for themselves.

Income taxes fall heavily on those who are reported on, simply because it is easy to avoid reporting income where individuals are in business for themselves. That is what is suggested by saying income tax lacks the incentive to veracity.

The income tax is not the only tax that suffers from this weakness. The venerable personal property tax suffers the same disability. It taxes people on what they own and what they owe, because it is easier to hide a mortgage than real property. Hence, the personal property tax becomes solely a real estate tax.

Farmers pay a large share of this tax, as real estate is fundamental to the business of farming. In 1947 the taxes on farm land in Canada was $79 millions in round numbers. Assuming that the number of farms is about the same as in 1941, this would average slightly over $100 per farm.

This is only a small part of the taxation paid by the farmers. Farm expenses include tractor fuel, ($69,841,000), trucking licenses and operating costs, ($25,923,000) and car expenses, ($30,872,000 (a total of $127 millions in round numbers. These items carry considerable taxation and by virtue of the somewhat isolated location of many farms it is reasonable to expect these expenditures are chiefly incurred for business purposes.

Can't Pass on Tax

Farmers are lax in paying income taxes chiefly because of their inability to pass on taxes in the price of the goods they sell. The purveyor of farm products has the least power over price of any large group of specialists. During certain periods of food scarcities, there may be a chance of passing on the tax. These periods are generally short-lived and even now growers of both apples and potatoes are appealing for price support for the 1948 crops.

These appeals have greater force today due to the general policy followed during World War II of limiting profits in farming by established ceilings. Provision of ceilings when prices are high is bound to be followed by requests for floors when prices are low.

With price ceilings, there was no great hope of securing "excess profits tax" of any great amount from the business of farming. Now with most of the controls removed there is greater expectation of income tax payments from farmers and more general criticism of the disappointing collections.

Had prices of farm products been permitted to rise even to the level prevailing in the United States, more income tax would no doubt have been collected from farmers. It is hard to have it both ways. If prices of farm products are kept low, directly or indirectly, then dependence will be greater on other sources of public funds than income tax from this group.

Some Farm Prices Regulated

Since the period of decontrol, criticism has increased. Yet since price ceilings have been given up generally, prices of some farm products have been indirectly regulated. Prices of wheat in Canada have been below what they might have been both for export to Britain and for home consumption by a bi-lateral trade agreement of four years duration now entering its third year. It has been estimated that this arrangement has prevented farmers from securing over half a billion dollars during the last three crops. This additional revenue might have enabled farmers to pay more income tax.

Those who pay more than their share of income tax may console themselves at the moment with the fact that the bread they eat costs them less than if the raw material (wheat) was paid for at the price that is charged export markets outside of Britain. They may also console themselves with the fact that meat, though fearfully high for the consumer, was lower from 1941 to Aug. 16, 1948, than it would have been had not the embargo against shipment to the United States kept the price down during that six-year period. Again it is hard to have it both ways.

It is a deplorable fact that everyone is not a contributor to the income tax. If anyone or any group is unable to qualify as an income tax payer, it should be the business of those seeking public funds to find out why and attempt to remedy the situation. The way to ensure redundant revenues is to secure general prosperity.

Farm Accounting

It is hard to appraise farm revenue. More accurate records are recently available, yet improvement is still possible and necessary. Recently also, income tax methods more applicable to the farming business have been provided. It is sometimes said with reason that few farmers are able to properly fill out tax forms. If this be true it may be suggested that farmers do as others — employ some help with this job.

The better methods referred to above refer to the income of the industry as a whole. According to the Bureau of Statistics net returns from farming operations for the years 1946 and 1947 were $981,021,000 and $1,160,755,000. The total workers in the industry was estimated at 1,157,000 in 1946 and 1,147,000 in 1947. This represents 25% of the total labor force in 1946, 24.1% in 1947, and it is also pointed out that it was 22.7% in 1948.

Just why there would be such a decline in the number of workers in this field that appears so attractive to those who are not in it is a problem. It might be suggested at this time that the net revenue of the farming business fell far short of the proportion of the national revenue that its workers formed of the total labor force in these particular years.

If 1,157,000 workers in 1946 received a net income of $981,021,000, it amounted to $848 each. If such was the case, it is not particularly surprising either that there were fewer workers in that business in the following year or that income tax collections from this group were disappointing.

In 1947 results were better. Fewer workers secured a net of $1,160,755,000 which averaged $1,012. Certainly 1948 will prove a more profitable year than last year.

Arriving at "Farm" Income

How is this **net figure** secured? It includes cash income — minus cash expenses, and a valuation of farm products home-consumed, including food and fuel and an allowance for house rent. This figure is complete for income from farming. Farmers secure income from other sources which is not included in this net. Income from other sources than farming will be taxed at the source and does not show up in their accounting.

Assuming that this argument may not be taken too seriously and that some further proof may be required, we append the following record of payments of income tax by individual farmers:

Year	Number paying	Amount paid
1929	3,111	154,723
1930	2,626	123,900
1931	2,276	131,910
1932	653	26,739
1933	249	27,620
1934	262	22,234
1935	416	24,083
1936	694	46,000
1937	921	76,395
1938	1,000	78,081
1939	1,309	124,836
1940	1,721	151,549
1941	1,869	204,319
1942	1,488	150,103
1943	3,569	440,212
1944	....	......
1945	....	......
1946*	40,387	9,843,000

This record compares very closely with income from the industry for the period. Less than one twelfth as many farmers paid income tax in 1933 as in 1929. The net incomes of 1932 of an industry employing at that time a million and a quarter workers in round numbers is given by the Bureau of Statistics as $585 millions.

It was well on in the war years (1943) before industry began to reap much of a reward. It was 1943 that the number of income tax payers doubled over that of the previous year. The years 1944 and 1945 are not recorded in year books due to a change in methods of tabulation. For the year 1946, over 40,000 farmers paid nearly $10 millions with returns not yet all in.

This is considered by most critics as a very low proportion of the total. This is quite correct. More farmers will be paying income taxes in both 1947 and 1948 as with the discontinuance of controls the income of farmers has increased.

Part-time Farms

Even 40,000, with returns not all in, is not as low a proportion of farms as it is sometimes pictured. The total number of farms is usually quoted for comparison. Yet the last census enumerates 235,000 subsistence, combinations of subsistence and part-time farms. These farms, where income from outside sources or farm products home consumed form the chief source of income, should not be included. Deduction of this number from the total leaves slightly less than 500,000 commercial farms. In 1946 for the country as a whole, one farm out of 12 paid income tax.

These part-time and subsistence farms comprised over half the total in the three Maritime provinces, nearly half in Quebec, about one quarter in Ontario and Manitoba, less than one fifth in Alberta and Saskatchewan, while British Columbia had 40% in this class. This explains in large measure why the greater proportion of farmer taxpayers are found in the western provinces as the proportion of commercial farms to total are greater in that area. The industry is more commercialized in the western provinces where farms are larger and revenue per farm greater.

Increased returns from income tax has resulted from "deduction at the source." "Take home pay" is now a familiar term. Holding down prices of farm products by price ceilings is closely analogous to deductions at the source. This is due to the fact that farmers work for themselves generally and the wage they receive themselves comes from the price of their product. If these prices are regulated, this regulates also the income tax.

It has been rumored that some workers limit their time of working to limit the amount deducted at the source. It has also been reported that some farmers cut down their hog output for fear of increasing their income tax. It is possible that this may have been used as a pretext for giving up a job that was not very attractive in any case.

Prices and Taxes

The farming industry has not paid as much income tax as might have been paid had prices been allowed to rise as in some other places and some other industries. It has been necessary or expedient to use the taxpayers money to keep food prices low in some export markets and the domestic market also. If only we could compel farmers to sell products below the going price and pay taxes to enable us to finance the sale of their products, it would be a good scheme for all but the farmers.

It was a great scheme but it failed to work successfully judged by the smallness of collections of income tax from farmers. This illustrates how economic forces either directly or indirectly exert their influence. The failure of expansion in production is another example.

Records of income and of tax paid reveal that the farming business has just recently, since 1943 in fact, reached the position where substantial collections may be expected from income tax. The year 1947 will no doubt be a more successful year in collecting funds though returns are not in yet. Likewise 1948 may be better than 1947. If those who deplore the small returns from this source will only be patient they may live to see better results in securing funds by this method from this source.

Still we should not expect too much from this improvement as the latest budget allowed married couples over 65 years of age, an exemption of $2,000. This may cut down returns as there are many farm operators still on the job who could qualify in years for retirement but have been unable so far to retire on the savings from the farming business during the thirties or since that time.

The recent trend in farming is toward a greater degree of specialization. This entails more attention to farm records and accounts than has previously prevailed. If increased attention to income tax leads to more accurate records of the position of agriculture financially, this will be a great gain for everyone interested in this important and frequently discussed topic.

Off 'Milk Route' Calgary Rejoins TCA Main Line

From Our Own Correspondent

CALGARY — This city came off "the milk run" (The Financial Post, July 24) and returned to the Trans-Canada air route Dec. 1. TCA North Star service will then be brought back from Lethbridge after an absence of three months, during which repairs and construction work were carried out at the municipal airport.

TCA has moved into the new $40,000 Department of Transport administration building at the airport.

Coal Strike Ties Up Neepawa Salt Plant

From Our Own Correspondent

WINNIPEG—The salt plant at Neepawa, Man. has been forced to close for several days because of the coal miners' strike at Estevan, Sask. The plant, which has a payroll of more than 80, purchases coal from the Great West Coal Co. at Estevan, which is reported not on strike, but kept from work by pickets from other mine areas. The Neepawa plant uses more than a carload of coal a day.

Alta. Pool Pays Patron. Dividends Totaling $670,655

From Our Own Correspondent

CALGARY — Patronage dividends totaling $670,655 will be paid by the Alberta Wheat Pool on 1947-48 crop deliveries, one quarter of the amount being in cash and the balance held in reserves. Wheat and flax dividends will be two cents a bushel, oats and rye one cent.

Wheat Pool reserves are to be redeemed to the extent of $420,000, The reserves will be bought from older members who have ceased to farm and from the estates of deceased members; and will be paid out as patronage dividends.

Edmonton Issues $1.3 Million Bonds

EDMONTON — Bid of Dominion Securities Limited and nine associates has been accepted by City Council for an entire issue of $1.3 millions in debenture bonds

The group's tender, highest of five received, offered to yield $99.111 on each $100 of the issue. Of the loan, $750,000 is needed for telephone extension programs and $550,000 for further transit conversion from trams to trolley buses.

The debentures are on a serial basis, one to 20 years, and are noncallable. Interest rates are 3% for one to 10 years and 3½% for 11 to 20 years, for an average of 3.46%

DUNHAM
DIFFERENTIAL HEATING
Controlled Steam for
CHURCHES
Information on request
C. A. DUNHAM COMPANY LIMITED
1523 Davenport Road, Toronto 4

THE SAFE ENCLOSURE FOR ALL MESSAGES
BARBER-ELLIS ENVELOPES
A SIZE AND STYLE ... FOR EVERY PURPOSE
BARBER-ELLIS

TANNERS Since 1844
BEARDMORE Leather Belting DRIVES BEST
BEARDMORE & CO. LIMITED
TORONTO MONTREAL

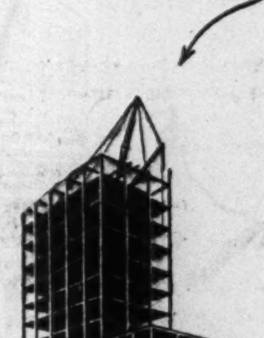
PAINTS-VARNISHES-ENAMELS for every purpose!
Whatever your Painting requirements, you'll be most pleased if you use
STURGEONS LIMITED
HIGHEST QUALITY PRODUCTS
Toronto 6. HA. 2135

Shop with us for Christmas
DISTINCTIVE GIFTS
GAILY WRAPPED
Sweaters Scarfs
Blouses Skirts
Gloves Handbags
Lingerie Hosiery
Perfumes Colognes
Handkerchiefs
Housecoats
Ski Suits
OPEN 9 TO 5.30
INCLUDING SATURDAY
JOAN RIGBY
54 BLOOR STREET WEST
STORE, MI. 4969—Accessory Dept., MI. 7636

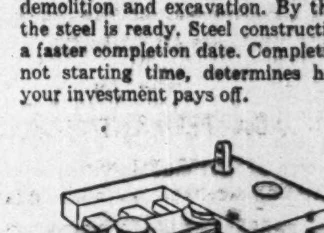
BUSINESS PROPERTY
New Westminster, B. C.
FOR SALE: BUILDING with 9,700 sq. ft. floor area, erected 1942. Adjoining land 12,439 sq. ft. with 99 ft. frontage on main thoroughfare. Located in light industrial and commercial area. Price and full particulars on application.
WESTMINSTER IRON WORKS CO. LTD.
1135 Queens Ave., New Westminster, B.C.

CANADIAN BANK NOTE COMPANY
LIMITED
STEEL PLATE ENGRAVERS and PRINTERS
Offers Products of Highest Quality and Artistic Design to Governments, Financial Institutions and Corporations
Bank Notes • Postage and Revenue Stamps • Bonds
Debentures • Stock Certificates • Cheques
SECURITIES ENGRAVED FOR LISTING ON ALL STOCK EXCHANGES
MONTREAL OFFICE 360 St. James Street West
HEAD OFFICE — OTTAWA 224 Wellington Street
TORONTO OFFICE 25 King Street West
PERCY J. WOOD Vice-President
PHILIP B. TOLLER President
D. M. COOLICAN Secretary
FREDERICK E. LAVIS Manager of Sales

AN ARCHITECT GOT A MONEY-MAN TO ADMIT,
"I never thought of floors in relation to earning power"



Why Q-Floor reduces building time 20 to 30%.
Q-Floor is steel subfloor, delivered precut. Two men can lay 32 sq. ft. in 30 seconds. Construction is dry, incombustible. The Q-Floor is immediately used as platform by other trades. No delay for wet materials. No forms, no falsework, or fire hazard. Even when steel is slow in delivery, steel is still faster. You must allow time for demolition and excavation. By that time, the steel is ready. Steel construction gives a faster completion date. Completion time, not starting time, determines how soon your investment pays off.



Why Q-Floor keeps a building modern.
The steel cells of Q-Floor are crossed over by headers for carrying the wires of every electrical service, regardless of how many new business machines may be invented. An electrical outlet can be established on every six-inch area. It requires but a small hole, takes literally only a few minutes. No muss with trenches. Tenants can have as many outlets, changed as often and located exactly, as they please. Such permanently flexible floor plans keep a building permanently modern. The exterior may grow old-fashioned, but with live arteries of power in the floors, the building itself will never be electrically outmoded.

"Floors are such a small fraction of total cost, one tends to forget that floor space is actually what a building is for. You say a steel Q-Floor costs less than the carpet to cover it? Yet it provides electrical availability over the entire exposed area of the floor. And the steel construction, being dry, reduces building time 20 to 30%. These are factors any investor can easily translate into terms of money saved. They mean more revenue over the years and earlier revenue right from the start. Let's look at the details—"

Q-Floor is now made in Canada, of Canadian steel, by Canadian labour. Recent installations include Canadian General Electric Company Ltd., Hamilton, Ont.; Barclays Bank, Toronto; Steel Company of Canada, Ltd., Hamilton; Bay-Grosvenor Bldg., Toronto; International-Aviation Building, Montreal, Que.

For more data, see your architect or write
ROBERTSON DIVISION OF
ROBERTSON-IRWIN LIMITED
TORONTO . . . HAMILTON Head-Office . . . MONTREAL

TURNING THE PAGES OF "Canada Unlimited"

O'Keefe's BREWING COMPANY LIMITED

F3-212

Exports Drain Hide Supply See Leather, Shoes Higher

MONTREAL (Staff) — Leather and shoe prices are on the way up. This was the consensus of a committee of the Shoe Manufacturers' Association of Canada, which met to consider the hide and leather situation following the Association's 30th annual general meeting.

Reason for the expected increase is a greatly reduced supply of hides. The committee reported that Canadian hides are being drained off to export markets either on the hoof or as hides. In addition to the export of cattle to United States following the lifting of the embargo, it is stated that huge exports of hides have also been made to United States. Also, Canadian hides are going overseas under ERP, it is stated.

This hide shortage is aggravated by an embargo on the export of Argentine hides, the committee stated. United States is short of hides, and the expected slaughter of cattle will be down. As a result, hide supplies in the hands of tanners are so low that "in the event of army service footwear being required, the situation would be embarrasing, if not critical," the shoe manufacturers state.

Canadian Packer hides of a standard grade dropped to 22 cents, some months ago, or about 4 cents per lb. higher than the price at decontrol. Equivalent hides today are around 29 cents per lb. Shoe men say that the trend must be upward, if the industry is to market its product on a sound economic basis.

Output Seen Down

This report on the hide situation followed Association president L. Paul Duchaine's somber report on the industry at the annual general meeting. In 1948, Mr. Duchaine estimated, shoe production would probably not exceed 31 million pairs—a decrease of 13% from 1947 and of 28% from 1946. For 1949 Mr. Duchaine said that production would not be less than 31 million pairs, and may even increase to 34 million pairs.

This year many shoe manufacturers operated on a three-day week for a considerable time, Mr. Duchaine said. This was due to; (a) leather decontrol, enabling all manufacturers to complete back orders (b) increase in the price of shoes at retail level, creating a normal consumer resistance.

In general, however, Mr. Duchaine stated that stocks at retail level are now reaching a normal basis.

President Duchaine also had some pointed comments on two phases of government activity as it affected the shoe industry.

(i) **Austerity program:** Shoe manufacturers were allowed 68% of the dollar purchases for the year ending July 1, 1947. Because of the increase in the price of leather, some manufacturers received only 38% on a footage basis.

Shoe manufacturers also found that even if they had dollars available for certain classes of goods, these were on the prohibited list, since they were obtainable in Canada. This ruling, however, overlooked the suitability of goods, and the fact that foreign-made shoes were imported and sold in Canada with goods and trimmings which Canadian producers could not get.

(ii) **Royal Commission on prices:** Mr. Duchaine contended that it was unfair to compare the footwear situation of today with that of 1939. In the five years prior to 1942, the average profit on sales of 134 firms was 2.5%; and 98 firms showed losses or a profit not exceeding 1.1% of sales before taxes. Only 19 firms showed 6.8% or more.

Mr. Duchaine said the industry was obviously doing well compared to 1939, but only because it did so badly in that year. Also, he said that nearly 20 factories went out of business in 1947, thus indicating that close competition is still the standard of the industry.

Recent DBS figures show that in the cost-of-living index there has been less increase in the price of shoes than in any other item of wearing apparel, Mr. Duchaine said. Present-day prices of shoes may well be compared with 1939, if the intrinsic value is kept in mind.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DOMINION GLASS CO. net profit from consolidated operations increased 51.6% to $1,612,471 in fiscal year ended Sept. 30, when the company produced and sold record volume in quantity and value. The margin of profit remained narrow and directors have been increasingly impressed with the relation of volume to cost in the industry, President L. J. Belnap states.

Official assessment of taxes for 1940 to 1946, inclusive, resulted in a credit adjustment to surplus of $1,239,750, as well as $84,279 being transfered to the account in respect to 1942 excess profits tax refundable. Provisions for $650,000 were made out of surplus for replacement of plant and equipment, and contingencies.

Alterations and replacements undertaken at the Montreal factory have been practically completed, and promising results have been shown. It is anticipated that the work in progress at Hamilton will be completed early in 1949. Capital expenditures during the year totaled $885,924 and uncompleted capital expenditures at the year end amounted to $293,069.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1948	1947
Total net income	$3,232,223	$2,341,668
Less: Deprec.	426,330	307,277
Amort. pat. rts.	7,500	7,500
Taxes	1,185,922	963,108
Net profit	1,612,471	1,063,783
Less: Pref. divds.	182,000	182,000
Common divds.	297,500	297,500
Surplus for year	1,132,971	584,283
Earnings per Share and Dividend Record:		
Preferred	$12.40	$8.18
Paid	1.40	1.40
Common	6.73	4.15
Paid	1.00+0.40	1.00+0.40

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1948	1947
Cash & Dom. bds.	$3,036,461	$1,993,767
Accts. rec.	3,401,177	2,190,036
Inventories	2,498,655	2,164,759
Total curr. assets	8,936,293	6,348,562
Misc. assets▲	1,013,434	1,298,524
Fixed assets	8,162,840	7,413,640
Patents, etc.	2,476,920	2,484,420
Total assets	20,589,487	17,545,146
Accts. & tax. pay.	1,632,858	1,249,177
Other curr. liab.	950,634	833,550
Total curr. liab.	2,583,492	2,082,727
Deprec. reserve	4,954,088	4,529,027
Other reserves	650,000	......
Capital stock	6,850,000	6,850,000
Surplus▲	‡5,551,907	4,083,392
▲Incl. ref. EPT	797,759	1,136,245

‡Includes $1,239,750 credit adjust. of income and excess profits taxes, and reflects deduction of $650,000 for conting. and plant reserves.

Working capital	6,352,801	4,265,835

CANADIAN COLLIERIES (DUNSMUIR) handled a substantially lower tonnage of coal, due to strike action, in fiscal year ended June 30, but consolidated net profit finished $138,580 higher at $154,952. Comparative figures on production follow: Vancouver Island—Tipple (tons raised) 398,995 (557,642); Commercial (tons marketed) 328,039 (457,490); McLeod River Co.—243,038 (285,755); 233,931 (277,915).

The increased price of coal now in effect, due to recent wage increases, has created difficult marketing problems, and has increased the competition from the mountain mines, President Norman R. Whittall states.

Development at T'Sable River continued and it is expected that this mine will come into production during the current fiscal year. The coal seam is considerably thicker than any which have been mined on Vancouver Island for over 10 years. At the Mercoal (McLeod River) mine the development has been greatly extended both laterally and to depth. The coal is reported of excellent quality and the seam is consistent and regular.

CONS. INCOME ACCOUNT

Years Ended June 30:	1948	1947
Net earnings	$413,490	$334,024
Less: Deprec.	209,040	265,668
Bond interest	49,498	51,984
Net prof. & surp.	154,952	16,372
Earnings per Share and Dividend Record:		
Common	$0.21	$0.02
None paid.		

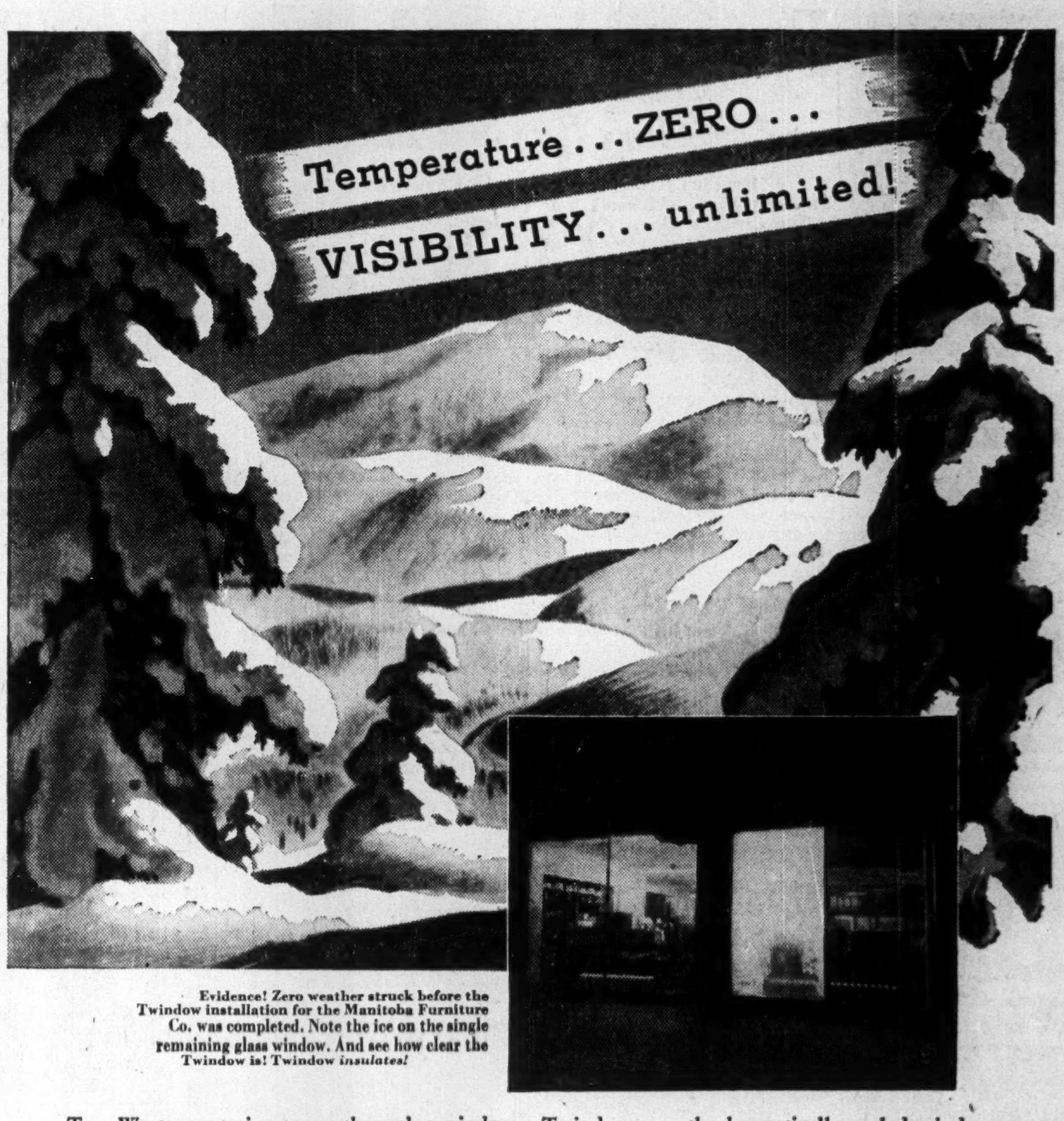
CONDENSED CONS. BALANCE SHEET

As at June 30:	1948	1947
Cash & Dom. bds.	$878,863	$686,038
Accounts rec.	573,816	429,868
Inventories	559,676	398,346
Total curr. assets	2,012,355	1,514,252
Prep. exps., etc.	31,104	7,441
Inv. & adv. subsid. co.	51,999	51,342
Mtges., sales agree., etc.	86,248	12,421
Fixed assets‡	4,693,538	5,074,845
Total assets	6,875,244	6,660,301
Accts. & tax. pay.	494,830	451,156
Accr. bd. int.	11,121	12,609
Bond currently due	75,000	75,000
Total curr. liab.	580,951	538,765
Contingency res.	106,177	106,177
Funded debt	1,132,000	1,350,000
Capital stock	3,755,860	4,627,940
Capital surplus	872,083	......
Earned surplus	†428,173	37,419
‡After depr. of	8,319,628	8,112,758

†Includes $253,083 trans. of invest. res.

Working capital	1,431,404	975,487

MAILMAN CORP. has had an additional 1,400 no par value common shares approved for listing on the Toronto Stock Exchange, bringing total listing to 251,400 common and 18,249 preferred. The additional shares have been listed under an employees' stock plan.



Evidence! Zero weather struck before the Twindow installation for the Manitoba Furniture Co. was completed. Note the ice on the single remaining glass window. And see how clear the Twindow is! Twindow *insulates!*

To a Westerner trying to see through a window in zero weather, 'visibility unlimited' is a term that only pilots use. Meaning that Western windows commonly frost up something awful in cold weather. Store owners, especially, suffer! Ice on their windows obscures vision, hampers effective display of goods!

"More heat," you say, "That'll melt the ice." Yes, and the result is a staggering fuel bill and rivers of water running down the windows.

The Manitoba Furniture Co. has solved the problem neatly. They asked Hobbs to install Twindow ... the hermetically sealed window unit that *insulates;* virtually prevents condensation, keeps rooms warm right up to the pane! Now let the mercury drop! No ice forms on the Twindow. No water drips on floors. Vision is clear. And thanks to Twindow ... precious fuel is saved!

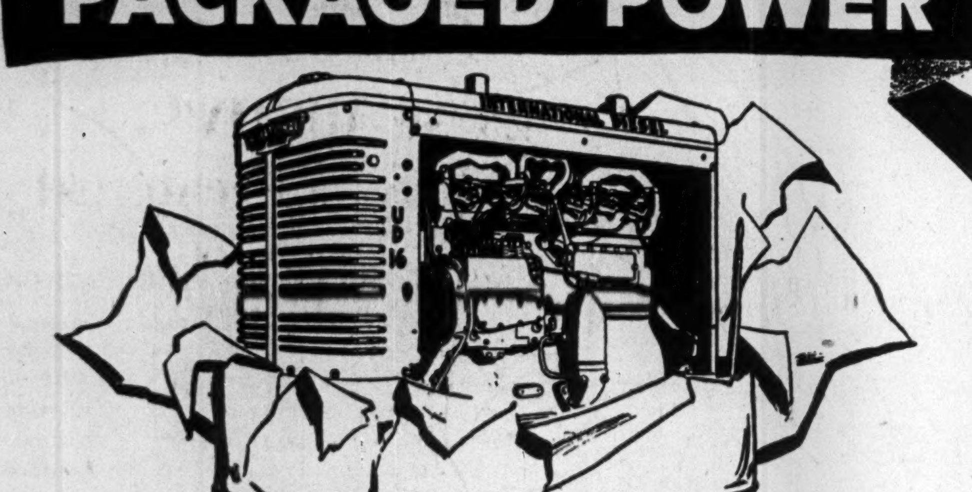
Every day, more and more problems in daylighting, insulating and decorating are being solved with glass by Hobbs ... in stores, homes and factories. In Canada ... it's HOBBS for glass. Hobbs Glass Limited, London, Canada.

Look to GLASS for better living ... come to HOBBS for Glass

HOBBS GLASS. PAINT

Also sold in Canada by Hobbs: Foamglas insulation • Coolite heat-and glare-reducing glass • Carrara structural glass • Corrugated glass • Herculite tempered glass • Nucite glass chalkboard • Plate glass • Safety glass • Mirrors • Pittsburgh Paints with Color Dynamics

PACKAGED POWER



to fit your jobs

Your power requirements may be big or small. You may want gasoline or Diesel. In any case, there is an International Power Unit—a portable package of productive power—to fit your needs.

From the International 22 h.p. U-2 to the 55 h.p. U-9 you have a choice of four models of carburetor-type engines.

International Diesel Power Units range from the 33 h.p. UD-6 to the 180 h.p. UD-24. Here is a line of six Diesel engines that are scaled to almost every job where portable Diesel power is needed.

Your nearest International Industrial Power Distributor is set up to analyze your power requirements and recommend the right unit for the job it must do. He can show you how International Power Units add up to profitable power on hundreds of applications.

And he'll keep your power plants at peak performance. His parts and service facilities are always on hand to serve you.

Get in touch with him. He's got the right answers to your power problems.

INTERNATIONAL HARVESTER COMPANY OF CANADA LIMITED
Hamilton Ontario

INTERNATIONAL INDUSTRIAL POWER DISTRIBUTORS

B. C. Equipment Co. Ltd., Vancouver, B.C.; J. S. Galbraith & Company, Vernon, B.C.; Central Truck & Equipment Co., Nelson, B.C.; East Kootenay Equipment Co., Cranbrook, B.C.; Industrial & Road Equipment Ltd., Calgary, Alta.; R. J. Fyfe Equipment, Regina, Sask.; Kane-Marr Company, Winnipeg, Man.; Twin City Industrial Equipment Ltd., Port Arthur, Ont.; W. G. Reid, Fort Frances, Ont.; Soo Garage, Sault Ste. Marie, Ont.; W. L. Ballentine Company Ltd., Toronto, Ont.; Chas. Cusson Limited, Montreal, Que.; Lounsbury Company Limited, Moncton, N.B.; J. Clark & Son Limited, Fredericton, N.B.; Industrial Machinery Co. Ltd., Halifax, N.S.; Corner Brook Foundry and Machine Co. Ltd., Corner Brook, Nfld.

INTERNATIONAL POWER
CRAWLER AND WHEEL TRACTORS • DIESEL ENGINES • POWER UNITS

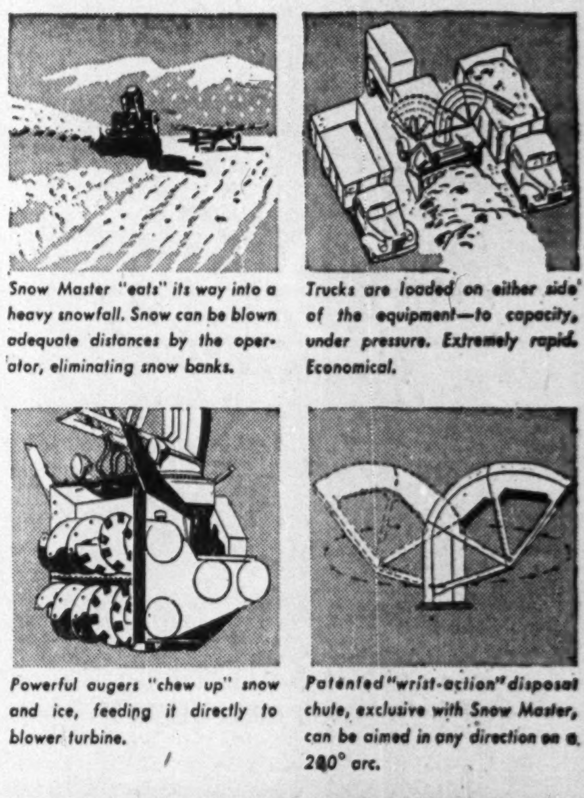
SICARD

Snow Master

UNRIVALLED FOR SNOW CLEARANCE

Leadership is *earned in action.* That's why Sicard Snow Masters have outsold all other makes combined, by more than two to one, for the last quarter century. The Snow Master is *built for its job,* for keeping the arteries of transportation snow-clear—highways, railroads, loading areas, and—with Sicard research ever alert to aviation's increasingly vital snow problems—airdromes and airfields.

Ruggedly powered, the Snow Master quickly chews to powder any form of snow—even solid ice. It force-disposes snow and ice for pack-loading trucks in motion, for short-range pinpoint casting on a 220° arc, or for blowing to either side up to 150 feet. No snow conditions have ever proven too severe for the Snow Master. Built to stand the gaff for long years of heavy duty work, Snow Masters have earned their leadership—*in action.*



Snow Master "eats" its way into a heavy snowfall. Snow can be blown adequate distances by the operator, eliminating snow banks.

Trucks are loaded on either side of the equipment—to capacity, under pressure. Extremely rapid. Economical.

Powerful augers "chew up" snow and ice, feeding it directly to blower turbine.

Patented "wrist-action" disposal chute, exclusive with Snow Master, can be aimed in any direction on a 220° arc.

SICARD INC. SICARD 2055 BENNETT AVE. MONTREAL

4 in 5 Vets Making Good in Business

How They've Put $40.8 Millions Govt. Credits to Work

More than 200,000 veterans, taking advantage of Government re-establishment credits, have gone into business on their own since the war ended. What have they done with the $40.8 millions credits extended them? How are they getting on? How many have failed and why? Here's a survey of the situation by The Financial Post telling of mistakes, triumphs by men who "wanted to be their own bosses."

By CLAUDE TAYLOR

Canada's veterans of World War II—over 200,000 strong — have spent $40.8 millions in re-establishment credits since VE Day getting into our national business front.

Some have been rudely awakened from the "dream of profitable private enterprise" and are back on the employment rolls of Canadian business houses, a little more conscious of the businessman's "headaches." But the majority, slowly but surely, are benefitting by their initial mistakes and are now taking their places by the side of established concerns.

Over 85% of them are estimated to be still in business and riding the crest of a prosperous era. The balance failed to survive the first year or so—the period of greatest business failures in Canada's economic life.

The percentage of success to date is considered "extremely encouraging"; percentage of failure regarded as normal. The future of the 85% is still obscure, but statistics suggest that their chances of survival are good.

Applying Canada's 1947 failure rate as a yardstick, businessmen can foresee and anticipate some further "closures" of veteran's establishments in the next few years. Percentage drops, however, will probably be lowered materially.

In 1947, 5% of Canada's businesses that failed had started that year; 33% had been formed in 1946; 22% in 1945; 10% in 1944; 6% in 1943; 4.5% in 1942; 3.5% in 1941.

Reasons for the 15% rate of fatalities are varied and many and suggest a combination of factors that are often ignored when individuals are entering business for the first time.

Here are some of the factors that shared in the 15% business downfall of veterans:

Poor business acumen; lack of accounting ability that caused early financial confusion and chaos; limited working capital at the outset; unsuitable locations; adverse weather conditions; starting business at the wrong time of the year; and just plain ignorance.

Failures in the Greater Toronto area, a sound testing ground for new enterprises, have been experienced by some veterans in 34 of the 58 fields of business entered. Reinvestigation of 617 businesses of the 2,500 new enterprises started by veterans since war's end, found 68.4% successful and 19.8% unsuccessful.

Failures have been particularly pronounced in the tourist camp field where 37.5% have been unsuccessful; a total of 30.3% of the firms reinvestigated in the engineering field have closed down; 33.3% of the cleaning product manufacturing firms have failed; while taxi business failures ranked highest at 42.1%.

Department of Veteran's Affairs records disclose that approximately 10% of Canada's 200,000 new businessmen secured some further assistance over and above re-establishment credits.

20,000 Had Income Grants

To the end of September 20,324 male and 214 female veterans received allowances in the form of cash payments to tide them over the initial "difficult days" when the new enterprises were not returning a living.

In this "income allowance group" statistics show that 83% of the 16,797 male and female veterans were established after receiving an average of $307.15 over a period of 21 weeks.

The balance, 3,373 male and 33 female veterans, or 17%, had allowances suspended after an average of $257.47 had been disbursed over a 17-week period. A total of 206 veterans were still receiving these special grants at the end of September.

Exhaustive investigation of these nonestablished veterans suggested to DVA headquarters in Ottawa that there was little likelihood of this group successfully establishing themselves and were apparently headed for failure at a reasonably early date.

Still another 4,000 to 5,000 veterans have secured additional financial aid in the form of business and professional loans from Canada's banking institutions to a total of $8.2 millions. Under the Act veterans were extended the privilege of securing bank loans ranging up to a $3,000 maximum, repayable over a 10-year period at an annual interest rate of 5%.

In this category 1,089 veterans used their bank loans (totaling $2.4 millions) to purchase a business and 1,304 servicemen borrowed $2.7 millions to secure a partnership interest in a business; some 2,000 additional veterans secured loans of over $3 millions to purchase tools, equipment, construct buildings, and purchase motorized vehicles and equipment.

Such has been over-all veterans' re-establishment plan of the Dominion Government, carefully supervised by the Re-establishment Credit Advisory Committee, which has enabled Canada's former servicemen and women to enter the business world. And to all appearances so far the vets are showing growth and progress.

Committee's Screened Projects

Advisory committees made up of groups of citizens in the principal cities, have passed on all new businesses started where credits were used in one form or another. The committee plan was designed to stop overcrowding of "types of stores" in certain business districts and to see that the proposed store or business was being started under the soundest of conditions.

Investigation has found that Canada's veterans are particularly appreciative toward the committees for sample bookkeeping systems provided and general advice extended along financial lines. Certain criticisms have been levied against the committees and DVA authorities, but the great majority of vets are pretty thankful for the efforts of the committee and the aid extended through re-establishment credits.

Here are some typical examples of veterans entering business for the first time through channels of re-establishment credits:

Clarence A. Hoover, former RCEME sergeant, opened a body repair and spray paint shop at Aylmer, Ont. Credits were used to buy equipment. The business prospered from the outset and C. O. Morris, another vet, purchased a partnership interest. The pair have since built up a profitable business that now own some $2,500 in equipment.

Jack M. Taylor, Port Stanley, Ont., with more than six years service as a sapper, used his credits to purchase a partnership interest with J. H. Clark, another serviceman, in a boatbuilding shop operated by the former's brother, Arthur S. Taylor, World War I veteran. The young partners have since become skilled craftsmen in the boatbuilding line and participate in building all types of crafts from racing dart canoes to 50-ft. motor launches and sailboats.

George D. Essex, former infantryman from London, Ont., utilized war credits to establish a thriving display model business in his home town. Essex, a commercial artist in prewar days, converted an old barn into a studio and developed a profitable and expanding volume of business.

Flight-Lieut. Henry T. Bourne, 22 years in the RCAF and **Sgt. Harold L. Lockhart,** five years in the RCAF, used $1,100 in war credits to partly defray purchase price of Motor Engineering Corp., Toronto, as a going concern. A background of motor mechanics in peacetime and war and a combination of long hours and personalized service have enabled these veterans to boost business by about 800% and to increase their investment by more than $12,000.

Bourne and Lockhart purchased a business that depended entirely on servicing of neighborhood cars and developed it into an organization specializing in rebuilding motors for garages extending from North Bay, Ont., to as far east as Moncton, N.B. The partners credit their success to 100% attention to the business; "cash on the barrelhead" or the immediate discount of customers' papers where time payment is required for individuals; and customer satisfaction.

Bird's Hill Dairy Products, Toronto, is a family corporation operated by brother-in-law veteran J. Teplinsky and brothers Kelly and Leo Waldman. Combined veterans' credits of about $1,000 played an important part in enabling the partners to purchase the business in late 1945. Such factors as taking just a living wage out of the business, long hours and constant improvement of equipment, have enabled the company to boost patronage 25%, sales about 50% and investment between 20% and 25%.

The main regret of the partnership, however, is that lack of business knowledge at the outset proved a "pretty costly" lesson as obsolete condition of equipment has necessitated almost 100% replacement since taking over. The partners are now confident that the business can be classified as an established and increasingly profitable venture of three "green" businessmen.

Vocational Training, Too

The efforts of Veterans' Affairs have not only been directed to Canada's potential businessmen, but also to those veterans interested in educational and vocational training.

To the end of September, 96,736 veterans passed through some form of vocational training at a cost to the government of $46.9 millions. On Oct. 1, 4,469 were in the course of training; 2,177 men were securing their training while gainfully employed; 35 were attending prematriculation training for future vocational training; 794 veterans were employed and training through correspondence courses; and 38 were working on courses while in hospitals or institutions.

In addition, 698 veterans engaged in full-time training were taking correspondence courses as well as day-time study courses.

From VE Day to end of September, 1948, an additional 59,276 veterans have attended university at a cost of $88 millions. A further 24,940 are currently enrolled in pre-matriculation studies preparatory to attending university upon graduation.

Aid for Veterans

Here's the breakdown of Government spending on Canada's veterans to Sept., 1948, (excluding cash credits for general purposes and for Veteran's Land Act):

Credit for Business	No. of Applicants	Value
For work. cap..	100,684	$20,309,913
For tools, eqpt., etc.	97,176	17,245,228
For business purchase	7,125	3,284,078
Total	204,985	40,839,219
Vocational Training:		
Cost of allowance		42,361,158
Cost of fees	96,786	4,504,833
Total	96,786	46,865,991
University Training:		
Cost of allowance		57,009,437
Cost of fees	59,276	19,434,152
Cost of university grants		11,570,271
Total	59,276	88,013,860
Grand Total	361,047	175,719,070

Bank Debits Up In All Areas

Increases Shown For October and For 10 Months Period

Volume of cheques cashed at the branch banks in Canada continued to increase in October, the Dominion Bureau of Statistics monthly report shows. Twenty-nine of the 33 clearing house centres in the Dominion and all five economic areas showed gains. The increases were: Maritimes 9.1%; Quebec 7.4%; Ontario 4.2%; Prairies 9.8%; and British Columbia 1.2%.

Factors responsible for the greater turnover of bank deposits by cheque transfers continued much the same as in previous months: business activity, higher prices, etc. Movement of the crops was also an important factor in October, accounting to a large extent for the increase of 9.8% in the Prairie area during the month.

For the 10 months ending with October, increases in the various economic areas were: Maritimes 11.3%; Quebec 1.3%; Ontario 7.5%; Prairies 12.9% and British Columbia 6.5%. The increase for all Canada was 6.5%, the total figures for the whole Dominion being $64,865 millions.

CHEQUES CASHED AGAINST INDIVIDUAL ACCOUNTS

Prov. and Clearing House Centres:	Oct., 1948	Sept., 1948	Oct., 1947
	—Millions of $—		
Maritimes:			
Halifax	86.0	77.6	80.5
Moncton	33.6	35.0	27.8
Saint John	51.2	44.6	48.3
Total	170.8	157.2	156.6
Quebec:			
Montreal	1,961.4	1,661.1	1,839.4
Quebec	232.6	207.1	204.8
Sherbrooke	25.6	25.2	22.3
Total	2,219.6	1,893.4	2,066.5
Ontario:			
Brantford	37.1	29.9	28.5
Chatham	23.3	23.3	22.1
Fort William	21.2	18.9	19.7
Hamilton	176.3	160.2	160.6
Kingston	20.2	19.2	19.9
Kitchener	37.2	34.8	39.1
London	95.6	79.8	100.2
Ottawa	315.7	342.2	298.4
Peterborough	23.6	21.8	20.8
St. Catharines	34.1	27.3	29.4
Sarnia	27.5	25.8	24.4
Sudbury	22.4	20.7	18.0
Toronto	1,994.8	1,651.4	1,929.2
Windsor	112.9	103.3	113.5
Total	2,942.1	2,559.2	2,824.0
Prairies:			
Brandon	14.6	11.6	12.6
Calgary	223.4	189.4	175.4
Edmonton	150.3	138.9	120.5
Lethbridge	24.1	20.8	17.4
Medicine Hat	11.1	9.9	10.8
Moose Jaw	25.4	22.7	19.7
Prince Albert	13.3	10.9	9.4
Regina	185.2	188.4	183.1
Saskatoon	42.0	41.0	38.1
Winnipeg	1,016.3	898.5	966.8
Total	1,705.8	1,532.2	1,553.9
British Columbia:			
New W'minster	28.4	26.3	28.2
Vancouver	511.6	468.2	500.3
Victoria	75.2	73.1	79.3
Total	615.2	567.6	607.8
Total for Canada	7,653.6	6,709.7	7,208.9

CPR Atlantic Fleet Carried 20,000 Passengers

MONTREAL (Staff) — More than 500,000 tons of cargo and approximately 20,000 passengers in and out of Montreal were carried by CPR's nine-ship Atlantic fleet this year in its busiest post-war season here.

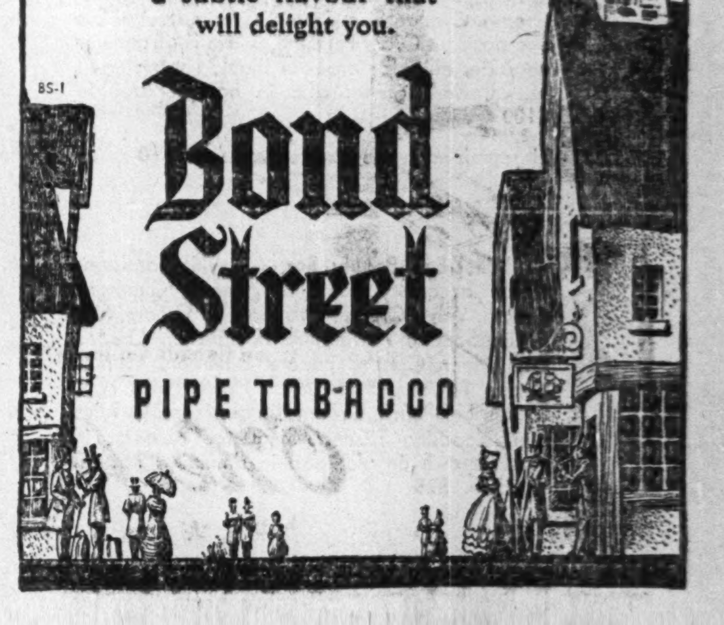
In addition, 4,700 displaced persons were disembarked at Quebec City from the company's immigrant ship, Beaverbrae. Mail cargo eastbound to the United Kingdom totaled 6,500 tons.

The 20,000-ton liners, Empress of Canada and Empress of France (which made its maiden voyage to Montreal in September) carried 19,500 passengers during the season. Remaining passengers travelled aboard the cargo passenger vessels, Beaverburn and Beaverford, which carry 10,000 tons of cargo in addition to their 12 passengers.

Since its first voyage as part of the fleet in April, Beaverbrae has been bringing immigrants from Bremerhaven, Germany, to Quebec

ESTABLISHED 1929
JOHN FURMINGER EXPORT COMPANY
an old established firm of
EXPORT SALES AND BUYING AGENTS
LET US KNOW WHAT YOU HAVE TO OFFER FOR EXPORT
WE KNOW HOW
and will take care of all the details for you
77 VICTORIA STREET TORONTO 1, ONT.
CABLES "TOREX" TORONTO
PHONE WAVERLEY 7763

It's the talk of the town
Yes, it's the pipe tobacco with that wonderful aroma. A fragrance that tells its own story of fine tobaccos and a subtle flavour that will delight you.



HAVE YOU HEARD THE ARROWTAPE RECORDING INSTRUMENT?
Among Its Many Recording Uses
Sales Talks—Telephone Conversations—Speech
Rehearsal—Dictation—Radio Programmes
PHONE FOR A DEMONSTRATION
Promenade Music Centre
• RADIOS • RECORDS • MUSIC
83 Bloor St. W. (Near Bay St.), Toronto - Midway 2437
Open Every Evening Until 9 p.m.

IN TORONTO... CARS and TRUCKS FOR RENT
CALL car-U-drive
100 RICHMOND STREET WEST TORONTO, ONT.
COMPANY LIMITED
AD. 5733

$100 Million Pipeline Would Add U. S. Dollars

Northwest Natural Gas Co. proposes to spend around $100 millions in construction of a gas pipeline and distributing system from Alberta to Vancouver, Spokane and Seattle, W. E. Simpson, K. C., of Edmonton, told the Natural Gas Commission in Calgary. Forty per cent of the investment will be in Alberta, he added.

If export of gas is permitted by the Commission, new markets would be opened up and exploration for both gas and oil would be further stimulated, Mr. Simpson said. The proposed line would mean closer ties between Canada and the United States and would be of great value in the event of another war. In addition to enhancing public revenue and industrial activity in Alberta, the proposed pipeline to the Pacific northwest would improve Canada's foreign exchange position, it was said.

The Natural Gas Commission is sitting to find whether export of natural gas would be fair to residents of Alberta.

High Activity In Mines, Oils At Montreal

There was a moderate increase in the volume of shares other than mining shares traded on the Montreal Stock Exchange and Montreal Curb Market during November. Turnover was 1,117,159 against 1,015,491 in the previous month and 1,136,936 in November 1947.

Trading in mining shares, however, was at the highest level in over 11 years. Transactions in this section, which also includes the Western Oils, amounted to 7,592,619 shares, compared with 3,924,347 in October and 5,097,155 in November 1947. Previous high point was recorded in February 1937 when a total of 9,103,402 shares changed hands.

Cumulative total for the 11-month period for the industrials was 10,801,802 shares, compared with 10,754,461 for like period a year ago, while mining and oil share total was 39,807,868 this year, 39,025,189 in 1947.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN CAR & FOUNDRY CO. net profit for the year ended Sept. 30, 1948, was up sharply at $2,580,445 ($712,683 previous year). The increase reflects general activity in company's plants which prevailed throughout the major portion of the year, the annual report states. Among special income is an amount of $538,666 as the net recovery from the award to the New York agency of the company arising out of war claims.

Present orders on the books of the company should keep the plants occupied well into 1950, President V. M. Drury says. The Fort William plant, besides producing buses and trackless trolley coaches, will, in addition now service tank car equipment and will undertake construction of streetcars now carried on at Turcot (Montreal) plant.

While export business was maintained during the year, "the acceptance of orders is governed naturally by availability of requisite materials and the ability of the producer to pay in hard currency," it is said. Capital expenditures from 1945 to 1948 (fiscal years) for modernization and extensions now totals $2,454,000, with an additional $600,000 authorized.

The suit entered against the agency of the company by the estate of W. W. Butler, shown before on the balance sheet as a contingent liability, has been resolved. Policy of purchasing materials in short supply has been adhered to, and "inventories are accordingly heavy and to some extent unbalanced." These comprise materials which are at all times readily marketable, it is said.

Although the immediate prospects are favorable it should be kept in mind, the report says, that car orders now in hand represent a replacement program of the railways which to a considerable extent was created by the restrictions imposed upon them during the war, and the present orders, when completed will, in a large measure, adjust this deficiency in rolling stock to normal operational requirements. Demand for sheet steel continues far in excess of supply.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1948	1947
Net oper. profit	$4,370,404	$883,035
Add: Other income	99,305	265,121
War, cls. award	538,666	......
Sale cap. assets	30,273	*27,086
Recov. re war contr.	......	668,148
Less: Deprec.	1,077,376	754,323
Prov. for taxes	1,459,965	322,212
Invest. w/o	73,750	......
Int. pay.	47,172	......
Net profit	2,580,445	712,683
Less: Cl. A divd.	400,000	400,000
Com. divd.	292,640	292,640
Surplus for year	1,887,805	20,043
Earnings per Share and Dividend Record:		
Class A	$6.45	$1.78
Paid	1.00	1.00
Ordinary	5.96	0.85
Paid	0.80	0.80

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1948	1947
Cash & govt. bonds	$785,544	$389,245
Accts. rec.	6,034,811	5,169,174
Inventories	17,787,074	17,369,224
Total curr. assets	24,607,429	22,927,653
Prep. exp., etc.§	296,986	270,565
Ref. EPT	163,501	216,064
Investments	498,497	747,008
Fixed assets*	17,265,707	17,856,831
Total assets	42,832,120	42,018,121
Bank loan	6,835,000	6,895,000
Accts. & tax. pay.	7,639,939	8,372,922
Due. re. pf. exch.	3,733	7,558
Total curr. liab.	14,478,672	15,275,480
Due War Assets Corp.	737,000	1,168,192
Reserves	308,083	303,083
Capital stock	17,145,000	17,145,000
Capital surplus	680,767	686,208
Surplus▲	9,482,598	7,440,158
*After deprec. of	12,170,823	11,740,957
▲Incl. ref. EPT	163,501	216,064
§Included in curr. assets in co's. report.		
Working capital	10,128,757	7,652,173

PATO CONSOLIDATED GOLD DREDGING miners' strike, which lasted 46 days during fiscal year ended April 30, 1948, reduced yardage of gravel handled, and bullion production dropped $310,134 to $3,553,032. Lower depletion charges and tax provisions, however, left profit $51,851 higher at $956,518.

The company added to its property holdings, through purchase of the Urdaneta mine on the Santa Isabel stream, Colombia, covering 2,000 acres, at cost of $10,000. Materials for the hull and superstructure of the small river-type dredge No. 6 arrived at Barranquilla during the year, and it is expected to be operating at Pato early next year.

The 5,000 h.p. addition to the power plant is expected to be completely installed and generating power early in 1949.

Ore reserves (see below) showed a slight increase in workable reserves and an important rise in marginal reserves. Future taxation, operating costs and the world price of gold, will determine to what extent the marginal reserves can be dredged; further and deeper drilling may develop some higher values in portions of these reserves.

INCOME ACCOUNT

Years Ended Apr. 30:	1948	1947
Production	$3,553,032	$3,863,166
Net oper. prof.	1,485,429	2,095,328
Add: Other inc.	269,087	52,291
Net earnings	1,754,496	2,147,619
Less: Deprec.	601,501	537,092
Depletion	38,044	280,413
Colombian inc. tax	68,654	369,282
Export of f'ds tax	66,468	56,165
Loss on sale of Colombian f'ds	22,410	......
Net profit	956,518	904,667
Less: Dividends	1,120,000	1,280,000
Deficit for year	163,482	375,333
Earnings per Share	$0.30	$0.28
Paid	0.35	0.40

CONDENSED BALANCE SHEET

As at Apr. 30:	1948	1947
Cash & bullion	$2,557,313	$3,412,312
Accts. rec.	381,445	379,957
Mat. & supplies	2,488,254	1,908,018
Total curr. assets	5,427,012	5,700,287
Dom. bonds	150,000	350,000
Colombian invests	11,124	17,487
Def. chgs.	1,098,380	1,028,590
Fixed assets	8,878,212	8,278,955
Total assets	15,562,728	15,375,319
Accts. & div. pay.	1,135,785	1,314,000
Taxes pay.	312,623	123,125
Total curr. liab.	1,448,408	1,437,125
Def. acct. pay.	70,000	105,000
Reserves:		
Depr. & depl.	5,670,547	5,508,823
Dredge constr.	2,000,000	2,000,000
Tax & social benefits	154,422	411,269
Share premium	2,100,000	2,100,000
Capital stock	3,200,000	3,200,000
Earned surplus	‡919,351	613,097
Working capital	3,978,604	4,263,162

‡Includes credit of $469,736 adjust. of depr. and depl.

OPERATING STATISTICS

	1948	1947
Cu. yds. handled	14,853,000	17,393,000
Average value	23.92c	22.21c
Ore res., cu. yds.*	303,586,000	303,351,000
Grade ($35 gold)	21.9c	21.2c

*Excludes marginal reserves of 229,877,000 cu. yds. av. 9.6c in 1948 and 226,292,000 cu. yds. av. 9.6c in 1947.

Calgary Stockyards Set 10-Month Record

From Our Own Correspondent

CALGARY — In the first 10 months of 1948, 196,460 head of cattle and 21,687 calves have been handled by the Calgary stockyards, an increase of more than 47,000 over the corresponding 1947 period. market daily, breaking all existing records here.

Calgary's 10-month figure is almost double Edmonton's, and ranks third highest among all livestock centres of the Dominion.

Things that belong to Christmas
They make such wonderful gift parcels... so inexpensive and so much appreciated ... Laura Secord Candies just naturally find their way into everybody's gift and shopping lists. Everyone loves them. There's something about these famous, fine candies with the old-time goodness that "belongs" with the celebrations that make Christmas the happiest day of the year.
We will be glad to pack and mail your Christmas box of Laura Secord Candies to any address. Just ask the saleslady.
Laura Secord CANDY SHOPS

"It's an AUSTIN" .... Tribute to Greatness!
IN every field there's a leader — a name that stands out from the rest as a hallmark of distinction. Around the globe — wherever automobiles are driven — the name Austin is a symbol of outstanding leadership — of the finest in automotive achievement. The world-wide reputation of Austin — Britain's leading car manufacturer — is the result of more than 40 years of experience in building finer cars — well over a million of them since 1906.
TODAY this vast experience, plus the skill and "know-how" of world-renowned British craftsmen is more than ever apparent in the post-war Austin. In Canada, many models of Austin cars and trucks are available from which to choose. There's one to meet every Canadian need. Take advantage of a tremendous reservoir of car-making knowledge and experience and make your next car an Austin.
FROM every standpoint — superb modern styling, expert engineering, astonishing economy and complete dependability over the years — Austin is your best automobile investment! You can depend on it.
Austin's Canadian Family
A40 DEVON SEDAN — A40 PICKUP DELIVERY
A70 HAMPSHIRE SEDAN — A40 PANEL DELIVERY
A90 ATLANTIC CONVERTIBLE — A40 STATION WAGON
A125 SHEERLINE SEDAN — 2 AND 5 TON TRUCKS
All the above passenger and commercial models are now on view in Canada. See them at your dealer's.
AUSTIN MOTOR COMPANY (CANADA) LIMITED
1393 YONGE STREET TORONTO, ONT.

Elizabeth Arden . . .

GIFTS OF BEAUTY

A. Classic Daytime Bag . . . so infinitely smart, so very easy to carry. In polished calf, alligator or morocco grain. In black, blue, brown or wine calf; black, red, brown or sports tan alligator grain; black or brown morocco grain. **47.50**

B. Luxurious Overnight Case . . . features spacious waterproof pocket and outside pocket for magazines. Case contains Ardena Skin Tonic, Hand-O-Tonik, Blue Grass Flower Mist, Velva Cream, Feather-light Foundation Cream, Cosmetique, Illusion Powder, Lip Pencil, Eye Lotion, Special Astringent, Fluffy Cleansing Cream, Orange Skin Cream, Cream Rouge, Eye Sha-do, Blue Grass Perfume. Case is of genuine cowhide, alligator grain in black, cherry, navy, brown, dark green; also in natural rawhide. **$100**

Harmonizing suede covers available. **$20**

C. Week-End Beauty Box . . . this handsome travel accessory contains Ardena Cleansing Cream, Velva Cream, Orange Skin Cream, Skin Tonic, Special Astringent, Foundation Cream, Eight-Hour Cream, Poudre D'Illusion, Cameo Illusion Powder, Blue Grass Flower Mist, Eye Lotion, Lip Pencil, Cream Rouge, Hand-O-Tonik and Cleansing Tissues. Simulated alligator in black, brown or red; also in simulated natural rawhide. **$25**

D. Beauty Box . . . attractive beauty box for quick make-up with 8 of the famous Elizabeth Arden essentials for loveliness. Comes in simulated alligator, black, brown or red. **$10.**

E. Beauty Box . . . useful for travelling or using at home, this compact case contains 10 Elizabeth Arden Preparations. Cover is simulated alligator in black, brown or red . . . also in simulated rawhide. **17.50**

F. Overnight Beauty Box . . . full-size removable tray contains Ardena Cleansing Cream, Velva Cream, Orange Skin Cream, Skin Tonic, Eye Lotion, Special Astringent, Hand-O-Tonik, Poudre D'Illusion, Cameo Illusion Powder, Cream Rouge, Eye Sha-do, Lip Pencil, a miniature container of Feather-light Foundation Cream and small Blue Grass Perfume; lower section has space for nightgown, slippers and thin robe . . . an Elizabeth Arden Hair Brush is already there. Case is finished in simulated alligator in black, red, brown or blue; also in simulated rawhide. **37.50**

G. "Paris Clipper" Bag . . . beautifully custom-made. Highly distinctive clasp and adjustable shoulder strap. Compact and lip pencil included with inside fittings. **95.75**

H. Duplex Beauty Box . . . has two side wings with slide-fastened pockets, one lined in velvet for jewelry, the other lined in washable fabric to hold tooth brush, etc. Removable tray contains Ardena Velva Smooth Lotion, Cleansing Cream, Orange Skin Cream, Velva Cream, Velva Cream Mask, Feather-light Foundation Cream, Skin Tonic, Hand-O-Tonik, Eye Lotion, Special Astringent, Blue Grass Flower Mist, a Two-Powder Box, Lip Pencil, Cream Rouge, Eye Sha-do, Cosmetique, Tooth Paste, Tooth Brush, Hair Brush and Tissues. Under the tray is space for nightgown, slippers, light robe and lingerie. Case is finished in simulated alligator in black, red, brown or blue; also in simulated natural rawhide. **$75**

J. Elongated Box Bag . . . designed with handsome simplicity, this polished calf bag features twin carrying straps. Inside fittings include compact and lip pencil. Black, brown, navy. **$80**

Phone TRinity 8111, or write
Simpson's Shopping Service, Toronto

Elizabeth Arden Counter — Street Floor

She shall have beauty wherever she goes . . . when your gift is from Elizabeth Arden's Christmas collection of Beauty Boxes . . . or Elizabeth Arden's fitted Handbags. If your lady is a charming fly-by-night she will love the compact, easily carried overnight case for plane travel. If she is a gracious stay-at-home . . . a sweet girl graduate . . . or poised woman-of-the-world . . . she will treasure any one of these distinctive gifts containing lovely Elizabeth Arden preparations . . . the gift that makes her years the age of beauty.

Elizabeth Arden Counter — Street Floor.

SIMPSON'S

The Financial Post

Vol. XLII | Fifteen Cents an Issue, Five Dollars a Year | Publication Office: Toronto, December 11, 1948 | Member of Audit Bureau of Circulations | No. 50

Defense Spurs Comeback for Aviation

Industry Favored in War, Orphan Since Looks for Millions in New Orders Soon

By RONALD WILLIAMS

The aircraft industry, our industrial white-haired boy in wartime but a neglected orphan since, is staging a comeback.

The stimulant is defense. Plane-making is bound up inextricably with national security.

If the worst comes to the worst, neither Ottawa, nor the industry will be caught napping as they were in 1939.

Today this country has a much broader, sounder and more experienced nucleus around which the industry could expand rapidly.

Various projects, most of them government-financed military undertakings, are under way. They involve at the moment something in the neighborhood of $50 millions.

But now under consideration, The Post understands, is a vast program which might run into several hundred millions, spread over a period of years.

At the moment there is very little to go on. Certainly no decision has been made. But something big is definitely in the wind, something which, if it goes through, will partly restore the industry to its wartime greatness.

Five-Year Plan

Obviously the program being talked about would be part of national defense plans. As such it would tie in closely with the RCAF.

Recently announced plans for the air force offer a clue as to what the aircraft program might look like. The RCAF announcement called for a five-year plan. It can be assumed that the industry would be geared to this.

If this huge expansion program does materialize, what will it mean? Where does the industry stand today? What programs are already under way, what have been okayed but not started? Where do we want the industry to go and how fast? What about the future?

At the moment, this strategically important (but somewhat overlooked) member of this country's industrial family is suffering from economic malnutrition.

Since the war it has not received a single government production order for as much as a training plane let alone a first-line combat aircraft. All that's actually being produced are some Canadair Four (improved North Star) transports for British Overseas Airways, and de Havilland Chipmunk trainers and "Beaver" five-passenger aircraft.

As of last July, this wartime industrial giant was but a puny 4% of its former greatness.

Half the wartime floor space was out of the plane-making business.

The big Fairchild plant in Montreal was being used as a biscuit factory.

Canadian Car and Foundry plant at Fort William which made Hurricanes and dive bombers is now making buses.

So is Fleet Mfg. at Fort Erie which made RCAF trainers.

Today there are roughly 7,000 persons employed. The wartime peak: 120,000. In those days there were eight manufacturers actually making planes. Today there are only two. There is one other major unit and two lesser ones. But none of these three are actually building airplanes.

In those days there were 25 major plants engaged on repair and overhaul and subcontracting. There are only eight or ten today. Most of them are tiny affairs.

PRODUCING . . .

. . . Transport

For TCA, BOAC 40-passenger transocean Canadair Four.

This doesn't mean that Ottawa has completely neglected the industry. Far from it. To the Government must go credit for the important development work now under way at the big A.V. Roe (Canada) Ltd. plant at Malton, Ont. (formerly Victory Aircraft).

This is unquestionably the most encouraging aspect of the entire aviation picture. For the first time, through development of a jet transport, a jet fighter for the RCAF and a jet engine, this country has its own creative design, engineering and technical team.

At last the foundation for a sound, independent industrial building has been laid.

Here's the over-all picture, unit-by-unit:

Canadair Ltd.: formerly Canadian Vickers, employs about 4,500 at Montreal, making Canadair Fours for BOAC; expects orders from Canadian Pacific Airlines. Also working on a freighter version of the North Star and overhauling and refitting other aircraft. At the moment this is the important production unit in the industry, employing twice as many as the rest combined.

De Havilland: employs about 500 making new all-metal Chipmunk and Beaver at Toronto. Royal Air Force has chosen Chipmunk for its training program. But so far de Havilland has had to depend on civilian demand. Last week, Sales Manager C. H. "Punch" Dickens left for South America to try and drum up some business. Firm also assembling Vampire fighters for RCAF.

Canadian Car and Foundry: overhauling RCAF trainers and naval planes at Montreal.

MacDonald Bros.: overhauling Beechcraft transports at Winnipeg.

A. V. Roe (Avro): employs about 2,000 primarily on development work. Overhauling, refitting Lancaster bombers and medium Mitchell attack bombers.

In development stage:

40-passenger jet transport for TCA. This is purely an Avro development with government aid and is believed to be two years ahead of anything else in the field. (The other projects are wholly government-sponsored.)

A yet unnamed long-range, two-seat, all weather fighter for the RCAF. This is the plane all the recent "secrecy" fuss was about. Details are still secret but it is reportedly designed to do 675 mph.

. . . Trainer

For RAF training, de Havilland's Chipmunk.

This is Canada's first attempt to build a combat aircraft from scratch. If it is a success (and there is every chance it will be), it will be the RCAF's standard fighter, designed for conditions peculiar to this country.

But this is still some time off. The first prototype won't be ready to test until next spring or summer. After all the "bugs" are ironed out, it might be ready to go into production a year later.

If so, Avro won't be doing badly. It's generally conceded that it takes from five to seven years from the time the first line is drawn until all-out production begins on a new type. The U. S. for example, didn't have a plane during the last war which hadn't been started on before the war. The same was true of most British types.

The third Avro project: Development of Canada's first aero engine. Called the "Chinook," it is a pure jet and the brainchild of a team of youthful Canadians, headed by Paul Dilworth, 34, chief engineer, and Winnett Boyd, 32, chief designer. Both are graduates of the University of Toronto. The Chinook is their first stab at aero engine design and all signs indicate they have a winner.

The first engine, a small version, was test run last spring. It passed all expectations, matching anything in Britain or U. S. Now a bigger version is in the making. If successful, it will be used to power the Avro fighter and probably any other type built here.

All in all, these various projects by the five companies involve perhaps $50 millions, most of it government money. The jet engine will likely run into $6 or $7 millions; the fighter into $4 millions. A $10-million contract for overhauling trainers has been authorized. The North Star program involves close to $20 millions.

In addition, the Government has ordered $7 millions worth of aircraft from Britain and the U. S. Now it's understood that arrangements are nearly complete for the building of two U. S. fighters in Canada.

What about the RCAF? The Air Force has some fighter pilots and ground crews. The first fighter squadron was due to be set up Dec. 1, another a short time later. But a fighter pilot without a fighting plane is about as useful as a jockey without a horse.

Right now the only front-line aircraft the RCAF has are 80-odd Vampire jet fighters. But The Post is told that these are not what can be called "operationally equipped." In other words they could not immediately give battle, either because they have no guns or other necessary equipment for combat duty.

How soon they could be made ready for combat depends, The Post understands, on how long it would take to get equipment from U. K. This, it is pointed out, is the same old supply story which plagued our air force and air-training program during the war. It was only licked when we built our own planes right here, whether of British or American design.

. . . Bush Flier

For bush flying, de Havilland's five-seat Beaver.

The RCAF also has some U. S. Mustang fighters. Operationally speaking, they're in the same category as the Vampires. In addition, they're obsolete as far as being front-line aircraft. The Vampires, despite the fact that they're jets, are on the way to becoming obsolete as well. Britain has newer and better types. So has the U. S. So has Canada in its Avro fighter.

The RCAF also has some Lancaster bombers and some Mitchells. These also are obsolete. However, some are now being refitted and overhauled. In addition, the air force has a bunch of North Stars, Dakotas, reconnaissance and training planes.

But, say those who should know, we have nothing that could take to the air on a minute or a day's notice to actually give combat.

Recently Defense Minister Claxton said, ". . . one of Canada's major operational roles in possible air warfare would be to provide immediate interceptor forces . . ."

If this means we have to have front-line fighters right away, there is only one way to get them:

By buying aircraft in Britain or U. S. In the case of British machines, this would mean assembling them here as in the case of the Vampires. We tried this way early in the last war. It didn't work, particularly in the case of the U. K.

It's agreed that it might work with U. S. if some airtight agreement could be worked out whereby we got a proportion of U. S. production based on population, or our part in a joint war effort. But no matter how tight a deal with U. K. might be, there'd still be the submarines in the Atlantic and bombing raids on British plane factories to contend with.

But if we have a little time, the only answer, says the industry, is to make whatever planes the RCAF needs right here. The unit cost would undoubtedly be higher because of smaller volume. But experience during the war demonstrated that the only way to keep an air force supplied with aircraft and the aircraft furnished with spare parts is to make them yourself.

This narrows the program down to three phases:

1. **Build nothing but U. S. types.** If Canada wants combat aircraft in a hurry, and the principle that we must build them ourselves is accepted, this is considered the fastest way to get them. All it involves is getting the drawings, perhaps making some minor engineering changes, and then going to work. No major re-engineering would be necessary as Canadian and U. S. standards are identical. During the war we built several trainers and one combat type on this basis. But it's essential that a start be made right away. Remember it wasn't until 1944, five years after the last war started that we really began to build planes in any quantity. It's generally agreed it would take at least 18 months next time, although Canadair believes it could better this.

2. **Build British types as well.** This program would take considerably longer to get rolling. It means completely re-engineering the entire machine to Canadian and U. S. standards so that everything down to the last rivet can be made here or in U. S. This is what had to be done with the British-designed Lancaster and Mosquito bombers before we could start producing them.

3. **Build all-Canadian aircraft.** This would mean creating right here in Canada, not borrowing somebody else's drawings as we have done so far. Canadians designed and built airplanes before the war, of course, but never a warplane or an engine or a commercial transport. If Canada is ever to have a sound aircraft industry, this has to be done. The start has been made. With a creative design team and the know-how which has been collected, this is perhaps the greatest asset the industry has.

Government Aid Essential

What about the future? It's strictly in the hands of the Government. It is now recognized — somewhat belatedly in Canada — that there can be no healthy aircraft industry or development program without some form of government aid.

This is because of the high cost of development, the small market and the risk involved if a plane or an engine doesn't pan out.

Walter Deisher, Avro's general manager and one of the best Canadian authorities on the subject, made this clear in a speech recently before the Empire Club in Toronto. He said development of a new aircraft may run anywhere from $5 millions to $10 millions. (The Avro fighter will probably cost $4 millions.)

The U. S. industry and Government have recognized this cost factor and larger firms are now being assisted by means of army and air force or navy contracts. This has always been the case in U. K.

"It is believed," said Deisher, "that the Canadian Government will ensure that the same policies are carried out in this country."

He points out the aircraft engine industry flourishes mainly as a result of national support.

"This," he goes on, "is different from nationalization and should not be confused with it.

Said Deisher: "We must ensure that the industry is maintained and kept in a state of readiness."

DEVELOPING. . .

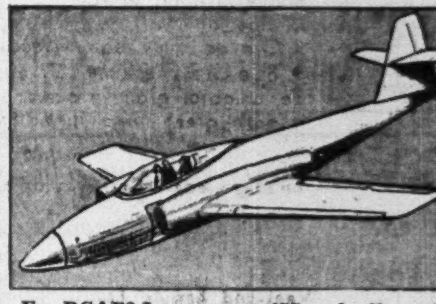
. . . Jet Liner

For TCA, Avro's 40-passenger jet (artist's impression).

. . . Jet Engine

First Canadian jet engine, Avro's Chinook.

. . . Jet Fighter



For RCAF? Long-range, 675 mph all-weather jet fighter (from a drawing in Aviation Week).

As the industry sees it, this not only means a development program such as Avro is engaged on; but also an actual production program. In the interests of national security, the RCAF should make up its mind quickly as to what type it wants. Then the Government should place production orders immediately.

The industry would then negotiate with the original manufacturers, whether British or American, for licenses to make them in Canada. They say the 80 Vampires we have should have been made here instead of being bought outright.

Plane makers say that to keep the industry in condition to meet any emergency, it should always be actually producing aircraft. Perhaps only five or 10 a month. But at least, there should be a solid production nucleus around which it could rapidly expand.

There has been some talk that this expansion is the first step in a master plan to decentralize the British industry. Recently an American magazine said Canada would be the "aircraft arsenal" for the Commonwealth in the event of another war. This would probably be a natural development. However, there is no suggestion that it is the primary motive behind current Canadian thinking.

Aside from the military aspect, what can the industry look forward to? Very little, is the consensus. There will undoubtedly be a market, it is agreed, for the personal plane.

But it will be very small until all-weather aids are available for light planes and until we have a network of airports.

While the industry as a whole is small, its size belies its importance.

If Canada is to have a real industry, not dependent for know-how on Britain or the U. S., a government-financed development program such as now in progress at Avro is essential.

If it's dropped, and we decided to only build somebody else's planes, not only does the industry retreat, but we will lose the invaluable creative staff that has been assembled.

These key personnel are going to get fed up and move on. Many have already had flattering offers from U. S. and British firms. So far they have turned them down because all the signs seem to indicate that the Canadian industry is finally going places.

At present most light planes in use here are made in the U. S. Later, we may see them here but they will probably be of American design.

This City Shows What 'The Canadian Way' Means

Drummondville Booms on Individual Initiative, Industry Team Play

By HOWARD GAMBLE

How fast can a city grow? Better not ask anyone in Drummondville — that city has been moving ahead so fast in recent years its citizens are still a little breathless from trying to keep track. In the 10 years from 1931 to 1941 the population of this important Quebec Eastern Townships city increased by 230%. In the past seven years it has jumped another 46% to its present 31,500.

By rail and truck it is estimated that the city this year will ship goods, and the services that go with them, having a gross value of about $40 millions. And for this production the more than 9,000 workers will receive more than $13 millions in wages, and salaries.

Drummondville proper is a city of about 16,000 surrounded on three sides by five mushrooming parishes which together add up to another 15,500 persons. On the north side flows the St. Francis River which provides the hydraulic power base for Drummondville's booming industries.

More remarkable is the city's growth when it is considered that Drummondville had none of the so-called war industries. Like its Eastern Townships neighbors it is primarily a textile manufacturing centre. Seven of the 12 largest industries are in the textile category and employ about 89% of the workers.

But while the city produces vast quantities of plain, dyed and printed cotton and rayon fabrics and women's hosiery, Drummondville is by no means a one-industry city.

From the 30-odd factories comes a miscellany of production which includes: fishing nets, lead pencils, rubber heels, dairy equipment, crepe paper, paper boxes and scores of other articles. Chances are that many of the Christmas cards you will get were made at the Dennison Manufacturing Co. paper plant. It's estimated that roughly $30 millions is invested in Drummondville industry.

Canadian Way at Work

A number of reasons may be advanced for the city's almost phenomenal growth. Electric power has certainly played an important part. Development of the Eastern Townships as a Canadian textile centre is another.

Apart from these obvious explanations is the fact that Drummondville (about 98% French-speaking) provides a number of examples of what "the Canadian way" means in individual initiative.

Take the case of Donat Bourgeois. Not many years ago Bourgeois was working for the railroad; a section hand earning $1.50 a day. He quit to start his own taxi business. Business was good and the taxi stand became Drummondville Autobus Inc. It's reported that Bourgeois, who is off this year for a trip to Europe, has received offers as high as $750,000 for his bus business.

Then there is the man who built a "better mouse-trap," or in this instance a better butter moulder and wrapper, Hilaire Blanchet, toolmaker by trade, inventor by avocation.

Blanchet, an employee of J. A. Gosselin & Co. took his idea to Robert Bernard, president and owner of the company, who thought enough of the design to stake Blanchet to the necessary working materials.

For two years Blanchet worked to get the first model ready for operation.

Visitors to the Canadian International Trade Fair at Toronto last spring had a look at the Blanchet butter moulding and wrapping machine and U. S. creamerymen saw it at the Atlantic City Dairy Show.

What they saw was a machine which can mould and wrap 1,500 lb. of butter an hour direct from the churn with only two operators and at considerable saving in waste. Now Bernard thinks firms in United States, Holland and France will make the new machine under license.

City Is Air-conscious

This is not the only time that Bernard has backed a good idea with cash. In recent years Bernard has become a flying enthusiast, received his license last April. But before he could fly himself he hired Phillippe Bernier to fly his private plane — a Stinson.

That was all the encouragement Drummondville needed. Before long Bernard and Bernier had persuaded 40 of the city's businessmen to put up $1,000 each to form Drummond Air Services.

The company now has four planes, a licensed seaplane base on the St. Francis River, a landing strip (Bernard's own land which will likely be turned over to the city later) and eight graduate flyers; with half a dozen more undergrads.

Robert Bernard, M.L.A., could probably be typed as an example of the initiative and enterprise which has contributed to Drummondville's growth. Bernard's dairy and dyeing equipment firm of J. A. Gosselin is not large, employing about 140 persons, but like Drummondville it has grown — original asset value less than $50,000 to the present figure of $833,000.

Taking his civic duties seriously Bernard takes time off from his business each year to represent his constituency as National Union member in the Quebec Legislature. They say that Quebec legislators are not permitted to forget Drummondville and it is reported (unofficially) that provincial treasurer Onesime Gagnon has on occasion observed that Mr. Bernard makes budget balancing difficult.

The Big Two in Industry

Individual initiative is, however, only a part of the Drummondville story. A true perspective of the city must include the big industries — companies like Drummondville Cotton with its 2,100 employees and Canadian Celanese with 4,500 workers. While the smaller firms give the city industrial balance it is evident that the big plants, employing two-thirds of the working population, form the backbone of Drummondville industry.

How do the big firms stack up as employers and citizens? They have built up and maintained a favorable reputation with the citizenry and employees by good public relations. One result of this has been the ability of many employees to identify his job with the bigger, over-all job the company is doing.

One story heard in Drummondville concerns Drummondville Cotton, big producer of tire cord and fabric, and subsidiary of Dominion Textile Co. In the wartime textile shortage it looked for a time as if fish production would be seriously curtailed due to a shortage of fish nets.

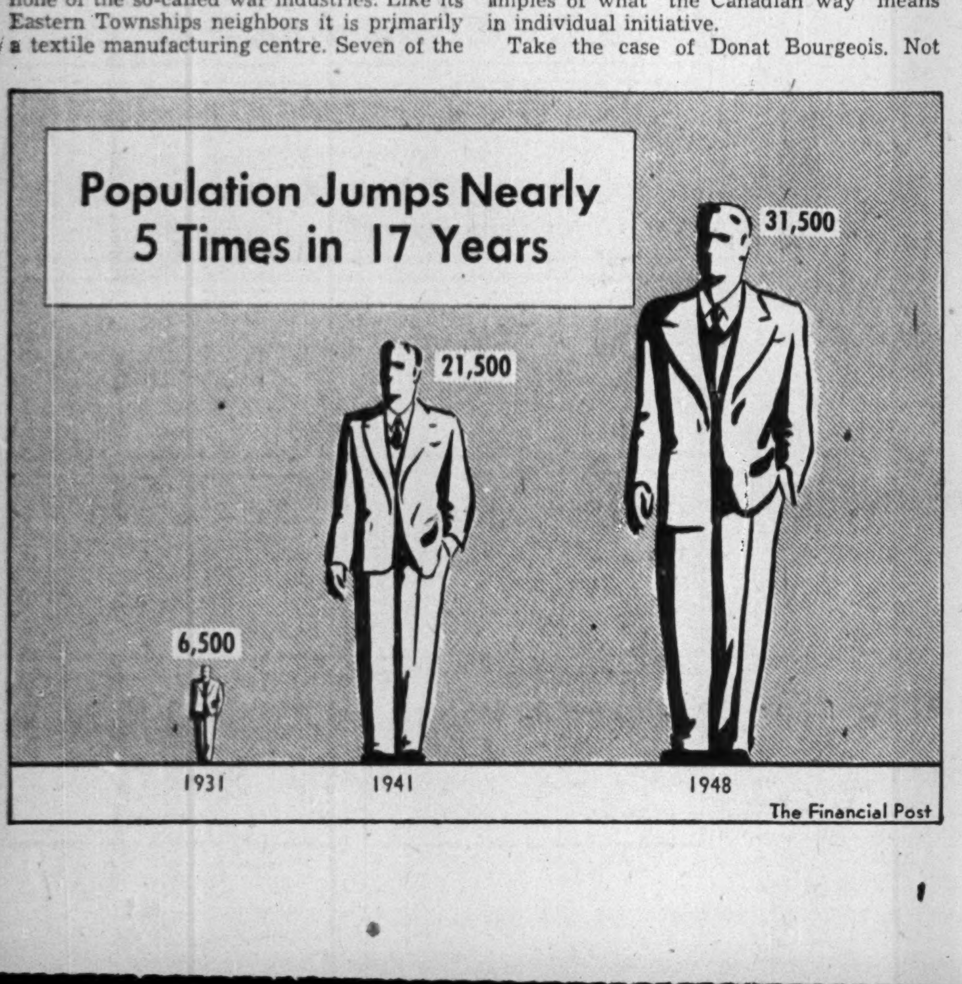
Drummondville Cotton stepped into the breach, greatly expanded its output of this item and thus played an important part in maintaining food supplies both for Canada and United Kingdom. Most significant in this is that the company's employees and others remember and take pride in this local achievement.

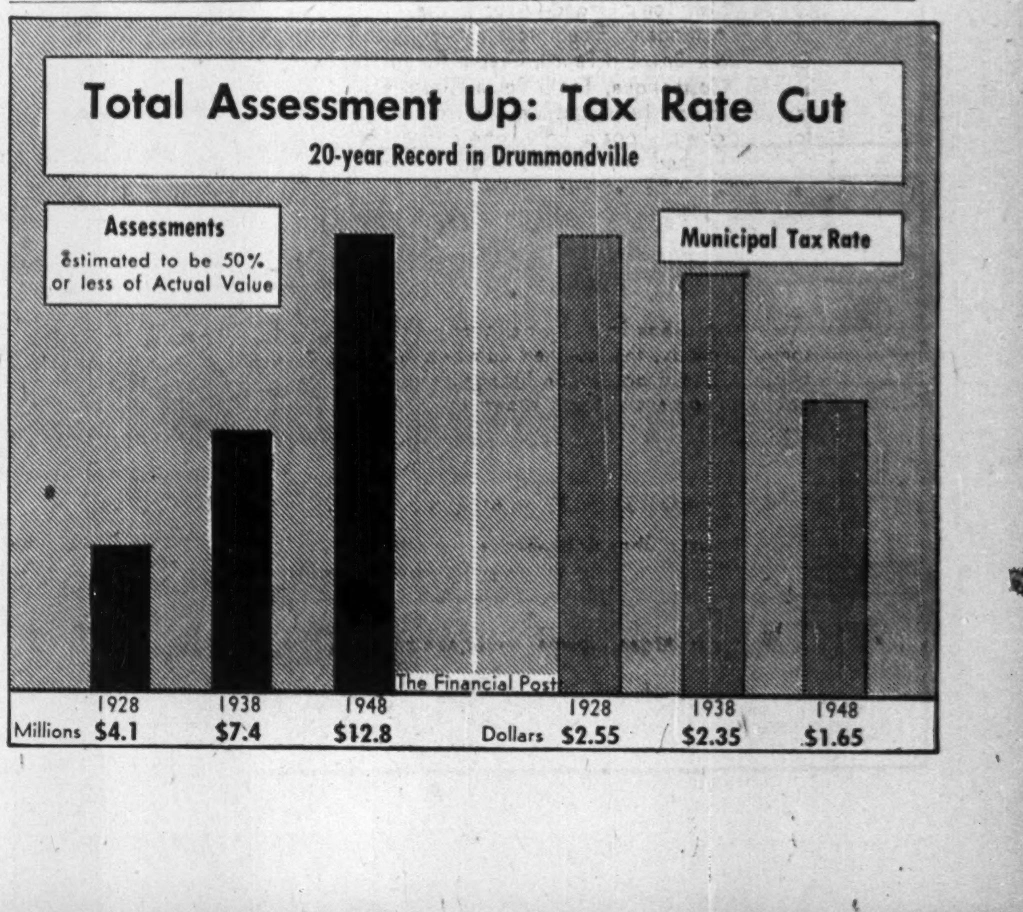
Neither is it difficult to find Drummondville people who will discuss the city's industrial pride and joy, Canadian Celanese. This huge plant, a combined chemical-textile operation, which covers a good part of 273 acres pays out about $9 millions annually in wages and salaries. Because of its size it touches every aspect of the city's life.

There is a Celanese Road and one enterprising retailer decided to name his business the "Celanese — Store." The possibility of misunderstanding was too great and company officials persuaded him a new name would be preferable; also painted him a new sign at company shops.

But as an important citizen Canadian Celanese philosophy seems to be "support

(Continued on page 21)





PROFESSIONAL DIRECTORY

CHARTERED ACCOUNTANTS

SNYDER, CRAIG & CO.
Chartered Accountants
KENNETH SNYDER, C.A. JOHN A. D. CRAIG, C.A.
330 BAY ST., TORONTO
ELGIN 4741

RONALD, GRIGGS & CO.
Chartered Accountants
Trust & Loan Bldg. WINNIPEG
Grain Bldg. SASKATOON

THORNE MULHOLLAND, HOWSON & McPHERSON
CHARTERED ACCOUNTANTS
E. J. HOWSON
R. S. McPHERSON
Licensed Trustees
Toronto
Galt - Kitchener
Representatives Throughout Canada

NIGHTINGALE, HAYMAN & CO.
CHARTERED ACCOUNTANTS
HALIFAX, N.S.
SYDNEY, N.S. YARMOUTH, N.S.

Boulanger, Fortier & Rondeau
Chartered Accountants
Licensed Trustees & Receivers
71 ST. PETER ST. — QUEBEC, P.Q.

WM. C. BENSON & CO.
Chartered Accountants
OFFICES AT
LONDON 267 Dundas St.
TORONTO 86 Bloor St. W.
WINDSOR 222 Douglas Bldg.

MASECAR, DeROCHE & McMILLAN
Chartered Accountants
SASKATOON SASK.

Arthur A. Crawley & Co.
Chartered Accountants
OTTAWA · MONTREAL · BROCKVILLE · TORONTO · SUDBURY
NORTH BAY · SAULT STE. MARIE

WILLIAMSON, SHIACH, SALES GIBSON & MIDDLETON
Chartered Accountants
W. F. Gibson — Licensed Trustee
66 King St. W. Toronto

EDWARDS, MORGAN & CO.
Chartered Accountants
TORONTO — MONTREAL — TIMMINS
WINNIPEG — CALGARY — VANCOUVER

H. R. DOANE & COMPANY
CHARTERED ACCOUNTANTS
CHARLOTTETOWN — HALIFAX — NEW GLASGOW — TORONTO

LAVALLEE, BEDARD, LYONNAIS, MESSIER, GASCON
Chartered Accountants
10 ST. JAMES ST. EAST MONTREAL
Telephone BElair 1039

RITCHIE, BROWN & CO.
Chartered Accountants
MONTREAL TORONTO

McDONALD, NICHOLSON & Co.
CHARTERED ACCOUNTANTS
TORONTO GALT

SHARP, WOODLEY & CO.
CHARTERED ACCOUNTANTS
313 CONFEDERATION LIFE BLDG.
WINNIPEG, MAN.

Ross, Frewin & Co.
Chartered Accountants
D. L. Ross & Co.
Licensed Trustees TORONTO MONTREAL
Liquidators SAINT JOHN, N.B.
Receivers MONCTON

CHARTRE SAMSON BEAUVAIS GAUTHIER & CIE
Chartered Accountants
Licensed Trustees & Receivers
MONTREAL QUEBEC ROUYN

MILLAR, MACDONALD & CO.
Chartered Accountants
TORONTO WINNIPEG

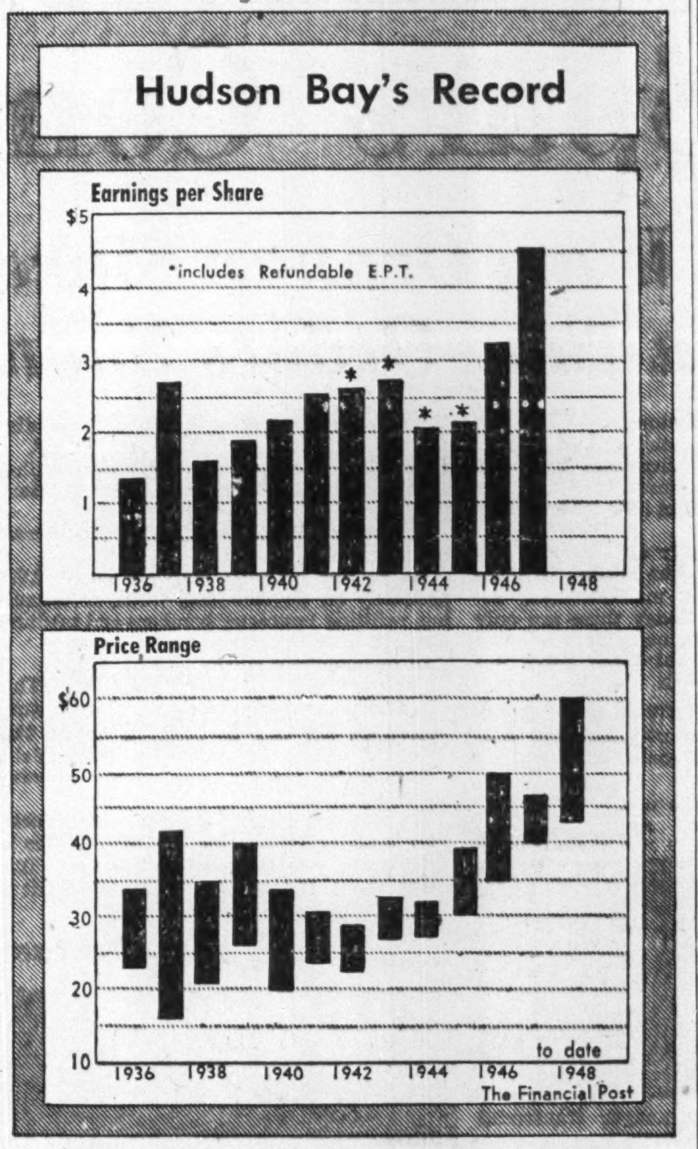
On Brokers' "Most Popular" Stock List:

Hudson Bay Mining & Smelting Co.

"What stocks would you choose for security and capital appreciation over the next three years?"

That was the question which The Financial Post put to a group of leading Canadian brokerage and investment firms.

Here, The Post analyzes another of the 20 stocks which received the highest number of votes. Analysis does not, of course, mean that The Financial Post recommends the purchase or sale of any of these securities now or at some time in the future.



By JAMES H. JOYCE

Why did the common stock of Hudson Bay Mining & Smelting Co. turn out to be one of the 20 "most popular" stocks to hold over the next three years in The Financial Post's poll of opinion in the investment community?

The reasons would seem to be as follows:

(1) Hudson Bay Mining & Smelting is one of the leading companies in a primary industry. Its principal products are copper and zinc.

(2) It has a strong forward ore position and is continuously on the hunt for new reserves.

(3) Worldwide demand for its products appears good for three years at least.

(4) Prices of its products are up substantially and seem likely to hold over this period.

(5) Earnings and dividends were at an all-time high in 1947 and will be higher in 1948. Postwar earnings show an uptrend.

(6) Shareholders receive a good proportion of earnings in dividends.

(7) It has a strong financial position.

(8) Its management is regarded as able and experienced.

Hudson Bay Mining & Smelting common is currently selling around 56¼ a share to yield about 8.88% on the basis of the $5 a share total dividends paid this year. It would yield about 7.11% on the basis of its indicated $4 annual dividend rate and about 5.33% on the basis of the $3 dividend paid in 1947. At current levels the stock is selling just under its record high of $60 a share reached this November, and is nearly 35% above its 1937 high of $41.75 a share. (Last December when the stock was chosen it was selling at $42. a share.)

At its current level, Hudson Bay Mining & Smelting Co. common is selling at about 12.4 times its 1947 earnings of $4.54 a share. Earnings are showing a rising trend and are 20.6% higher for the first nine months of 1948 than in the similar 1947 period. This ratio would be lower based on 1948 earnings.

A record of the price range of the stock, the company's working capital position and an abbreviated income account showing earnings and dividends per share for the 12 years 1936-47 are shown in the accompanying tables.

Revenue Increase

Total revenue of $35,048,488 for 1947 was 19.7% higher than the total of $29,275,256 for 1946, and 49.8% than its 1945 level of $23,390,998. It was also 2.3 times its 1939 level and slightly over 3 times its 1936 level.

Copper sales accounted for 48% of total sales in 1947 and went 50% to the United Kingdom, none to the United States and 35% domestically. Zinc sales accounted for 33% of total sales in 1947 and went 31% to the United Kingdom, 34% to the United States and 30% domestically.

Operating profit of $19,461,348 in 1947 was up 26% from the 1946 level of $15,425,369 and 67% higher than in 1945. It is more than 2.7 times its 1939 level and 3.6 times its 1936 level. The percentage increase in net in the last few years has been greater than the increase in gross, reflecting mainly the higher metal prices.

Profits Show Increase

Net profit in 1947 was $12,509,464—up 41% from the 1946 level of $8,855,079 and about 2.4 times its 1945 level of $5,241,011. This increasing trend is continuing, as the net profit for the nine months to Sept. 30, 1948 was $11,610,457, —20.6% higher than that of $9,635,752 or $3.49 a share for the comparable 1947 period.

Net profit was equal to 35.7% of total revenue in 1947 as compared with 30.2% in 1946, 23.0% in 1945 and with 36.8% in 1939 and 32.3% in 1936. Since the war, total revenue has been rising more rapidly than costs.

Net profit of Hudson Bay Mining & Smelting Co. for 12 years 1936-47 totaled $81.6 millions (including $1,679,000 refundable portion of excess profits tax). As dividend payments for the same period have totaled $64.1 millions or 78.6% of the net profit, the company has been paying out a fair proportion of its earnings to shareholders. For 1947, dividends paid equaled about 66.1% of the net profit, but the increase in dividend for 1948 may bring this percentage up to a higher level.

Earnings a common share averaged $2.47 for the 12 years shown but have shown a sharply rising trend since the end of the war. Hudson Bay Mining & Smelting common at $56¼ a share is selling at about 22.8 times the average earnings—a rather high ratio, were it not for the fact that since the war, earnings have shown a sharply rising trend and are currently running substantially above the average. It is 12.4 times its 1947 earnings.

Company's Outlook

What is the outlook for production and earnings?

For the next year or so, the demand and supply situation for copper and zinc indicates a continuance of good business at attractive selling prices. Authorities in England and in the United States see no imminent break in base metal prices. As long as economic activity continues at a high level, there are good reasons for thinking that highly profitable prices for base metals will continue. In addition, the U. S. desire to purchase for stockpiling, suggests a maintenance of demand.

Copper is now selling at 23½c lb. as compared with an average of 21.15c lb. in 1947 and an average of 11.07c lb. in 1939. A further price increase is expected in some quarters. The U. S. price of zinc has recently been raised to 17½c lb. basis for prime western as compared with 10½c lb. at Jan. 1, 1948 and with an average price of 5.12c lb. in 1939. Canadian domestic quotations, fixed under the WPTB "ceiling" regulations at the 1939 levels of 11½c for copper and 5.75c for electrolytic zinc, Toronto and Montreal, were allowed to go up in 1947 to the equivalent of U. S. prices.

The company's forward ore position is strong. Ore reserves at Jan. 1, 1948, totaled 22.7 million tons—sufficient for over 12 years at the 1947 rate of production. Its average assay was 0.084 oz. gold, 1.20 oz. silver, 3.00% copper and 4.3% zinc.

The company also had a stockpile of 700,000 tons of zinc plant residue, estimated to contain 25% zinc. Construction of a new 300-tons a day slag-fuming plant, estimated to cost $5 millions to $6 millions, was started this fall. It and the necessary additions to the present electrolytic zinc plant will be completed in 1950 and, from handling current and stock piled material, it is expected to increase zinc output by 30 million pounds a year. This should give a substantial boost to earnings.

Have New Properties

Further, the company has two new properties. Its Cuprus mine has just started into production; its Schist Lake property is expected to start late in 1949.

Hudson Bay Mining & Smelting Co.'s plants and equipment were carried at cost of $31,933,679 at Dec. 31, 1947—up $1,209,450 or 3.9% from the Dec. 31, 1945, figure of $30,724,229. It is also 18.6% above its Dec. 31, 1939, level of $26,931,057 and nearly 40% above its Dec. 31, 1936, level of $22,814,122.

Mining claims and lands are carried at cost of $9,425,753 at Dec. 31, 1947, as compared with $9,382,626 at Dec. 31, 1945, and with $8,765,337 at Dec. 31, 1939, and $8,751,977 at Dec. 31, 1936.

Reserves for depreciation total $19,648,824 or 61.6% of the plant and equipment account at Dec. 31, 1947, as compared with $17,782,577 or 57.9% at Dec. 31, 1945, and with $11,422,629 or 42.5% at Dec. 31, 1939, and with $8,639,754 or 37.9% at Dec. 31, 1936.

Reserve for depletion amounted to $5,720,539 or 60.7% of the value of mining claims and land at Dec. 31, 1947, as compared with $5,104,612 or 54.5% at Dec. 31, 1945. The reserve for depletion was just set up in 1944. At that time the company made a special charge to surplus of $4,406,118 covering depletion from the commencement of operations to Dec. 31, 1943, and a charge to earnings of $406,816 covering 1944 depletion. At Dec. 31, 1944, depletion totaled $4,812,935 or 51.4% of the mining claims and lands.

The financial statements do not reflect the existence of the approximately 700,000 tons of zinc plant residue, the auditors point out.

Investments and advances to subsidiaries, at cost less than undisclosed reserve, amounted to $1,469,693 at Dec. 31, 1947. This compared with $928,294 at Dec. 31, 1946; with $644,046 at Dec. 31, 1945, and with $131,978 at Dec. 31, 1939.

Working capital totaled $28,908,880 at Dec. 31, 1947, equivalent to $10.50 an outstanding common share. It was nearly 2.7 times its level of $10,713,316 at Dec. 31, 1939, and more than 4.3 times its level of $6,645,749 at Dec. 31, 1936. At Dec. 31, 1947, current assets totaled $34,808,565; current liabilities, $5,899,685—indicating a strong current position. Inventory of metals totaled $9,645,699 or only 27.7% of total current assets at Dec. 31, 1947.

Cash totaled $9,292,395 and Dominion of Canada Bonds, $13,363,708 so that the cash position was also strong. This also indicates that the company will be able to handle the financing of its new plant itself.

Capitalization consists solely of common shares of which there were 3,000,000 authorized, 2,757,973 issued, at Dec. 31, 1947. These are carried on the balance sheet at $30,984,205. Earned surplus totaled $15,441,061.

Company Management

The management is considered able and progressive. Chief executives are Cornelius V. Whitney, chairman of the board, New York; R. H. Channing, president, Tucson, Ariz.; Henry Krumb, Arthur H. Lockett and A. J. McNab, vice-presidents, New York; Henry E. Dodge, secretary and treasurer. Directors are the first five mentioned and Charles F. Ayer and G. M. Francis, New York; J. H. C. Waite and H. C. F. Mockridge, Toronto. Newmont Mining Corp. held a total of 203,922 shares on June 30, 1948.

The average number of employees at Flin Flon was 2,210 in 1947. Labor relations are said good, and the labor turnover was considerably less in 1947 than for many years, General Manager W. A. Green stated in the annual report last year. The company has a master collective bargaining agreement with labor unions affiliated with the Trades and Labor Congress of Canada (AF of L).

Hudson Bay Mining & Smelting Co. owns the pioneer base metal mining and metallurgical enterprise in Manitoba, at Flin Flon, adjoining the Saskatchewan boundary. The company operates a customs smelter and can treat approximately 6,300 tons of complex copper-zinc-gold-silver ore daily, producing refined zinc and blister copper containing precious metals. The blister copper is refined by Canadian Copper Refiners, Ltd., at Montreal East, Que., under contract.

The company has a contract with the Sherritt Gordon Mines, Ltd., to treat its copper concentrate and also to supply that company with electric power and deliveries under this contract were resumed on Aug. 1, 1937.

Through a subsidiary, the Churchill River Power Co., the company develops its own hydro-electric power as well as providing power for sale to other operations.

Exploration Subsidiary

A subsidiary company Hudson Bay Exploration & Development Co., was incorporated in 1937, to search for, acquire, and develop, mining properties as opportunities offer and results justify.

Legislation has been enacted by the Province of Manitoba, protecting the company from damage litigation, which might be engendered by the presence of smelter fumes, over an area of approximately 4,000 square miles. The company is also exempted from the payment of royalties in Manitoba until Dec. 1, 1947.

Mining operations in Saskatchewan have been subject to a royalty charge. In June, 1945, an amendment to the Saskatchewan quartz mining regulation, as passed under order-in-council, provides for a royalty of the lesser of 5% of the net value received from the sale of metals or 10% of the net profits; this is approximately five times the former rate.

Properties consist of approximately 9,411 acres in scattered groups on either side of the Manitoba-Saskatchewan boundary, located at Flin Flon Lake, 85 miles northwest of The Pas, Manitoba. The claims are under government lease for 21 years, renewable for additional 21-year periods.

In addition the company has 3,303 acres of unleased mining and miscellaneous property.

In 1946 the company optioned the Pine Root River claims, 10 miles east of Flin Flon, Man., from Sherritt Gordon Mines.

Hudson Bay Mining and Smelting Co.

(Years ending December 31; thousands of dollars)

	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936
Total Prod. revenue	34,459	28,715	22,774	23,085	24,211	....	....	....	14,231	13,347	16,906	11,431
Other Income	590	560	617	610	682	....	....	....	585	554	279	33
Total Revenue	35,048	29,275	23,391	23,695	24,893	22,634	20,230	17,530	14,816	13,901	17,186	11,464
Operating Costs	11,153	9,898	8,227	9,643	8,669	8,362	7,520	6,706	5,801	5,748	5,617	4,545
Taxes Other Than Income	1,468	1,181	1,033	257	270	221	93	73	....	....	....	....
Rail and Ocean Freight, etc.	2,290	2,357	2,024	2,015	2,244	1,840	1,684	1,563	1,607	1,624	1,618	1,318
Operating Earnings	19,461	15,425	11,666	11,110	13,271	11,715	10,602	8,888	7,056	6,201	9,726	5,423
Depreciation	961	905	893	1,414	1,513	1,097	1,009	939	876	866	1,086	1,092
Depletion	320	295	292	407	....	....	....	....	....	....	....	....
Income Taxes	5,670	5,370	5,240a	3,975a	4,725a	3,450a	2,600	2,000	930	900	1,150	640
Net Profit	12,509	8,855	5,241	5,314	7,033	7,168	6,993	5,949	5,250	4,435	7,491	3,692
Dividends	8,274	6,205	5,516	5,516	5,516	5,516	5,516	5,516	4,826	4,137	4,826	2,758
Surplus For Year	4,236	2,650	275d	202d	1,517	1,652	1,477	433	423	298	2,664	934
Surplus Forward (after adjustments)	15,441	11,206	8,556	8,174*	12,404	10,445	8,637	7,161	6,727	6,304	5,951	3,287
a Includes refundable E.P.T.			657	378	488	156						
Working Capital	28,909	24,489	21,157	20,367	18,272	15,050	13,286	10,851	10,713	10,340	9,514	6,646
Common Stock (H)												
Earned†	....	....	1.90	1.93	2.55	2.60	....	....	....	....	....	....
Earned‡	4.54	3.21	2.14	2.06	2.73	2.66	2.54	2.16	1.90	1.61	2.72	1.34
Paid	3.00	2.25	2.00	2.00	2.00	2.00	2.00	2.00	1.75	1.50	1.75	1.00
Common Price Range (H)												
High	46½	50	39¼	32	32¾	28¾	30½	34	40	35	41¾	34½
Low	40	35	30	26¾	26½	21¾	23½	19½	25½	20½	15¾	22⅞
Production Statistics (ooo omitted)												
Ore Concentrated, tons	1,855	1,837	1,823	2,028	2,241	2,190	2,020	1,848	1,722	1,653	1,643	1,637
Metals Produced:												
Gold, oz.	121	141	131	141	193	205	176	151	135	126	134	113
Silver, oz.	1,580	1,823	1,694	2,070	3,151	3,192	2,716	2,436	1,870	1,836	1,633	1,424
Copper, lb.	82,301	79,585	80,195	92,048	96,761	73,145	67,641	64,335	56,577	54,826	57,688	44,485
Selenium, lb.	128	122	130	136	142	129	116	133	64	84	74	75
Cadmium, lb.	173	166	136	141	188	177	170	129	140	189	309	260
Zinc, lb.	105,795	102,657	94,937	113,103	119,255	101,244	97,022	79,556	77,581	76,827	68,972	64,438

a Includes refundable E.P.T.
d Deficit. * After charging $4,406,118 for depletion from commencing operations to Dec. 31, 1943.

† Excluding (‡ Including) refundable portion of excess profits tax.

1948 Range to date: High $60; Low $43½.

PROFESSIONAL DIRECTORY

CHARTERED ACCOUNTANTS

JACQUES LA RUE
CHARTERED ACCOUNTANT
126, St. Peter St.
QUEBEC CITY

Nash & Nash
Chartered Accountants
Edmonton, Canada

VARDON, PUNCHARD & CO.
CHARTERED ACCOUNTANTS
320 BAY STREET TORONTO

Clarkson, Gordon & Co.
CHARTERED ACCOUNTANTS
Toronto • Montreal • Hamilton • London
Winnipeg • Vancouver
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 WELLINGTON ST. WEST • TORONTO

HENRY GLOVER & CO.
Chartered Accountants
FEDERAL BUILDING TORONTO

WILLIAM DOWIE and COMPANY
W. Dowie, C.A. P. H. Ambrose, C.A.
Chartered Accountants
28 James Street South · HAMILTON, Ont.

ROBERTSON, ROBINSON, McCANNELL & DICK
Chartered Accountants
TORONTO STERLING TOWER AD. 3781
CHATHAM 45 SIXTH ST. TEL. 3416

McDonald, Currie & Co.
Chartered Accountants
MONTREAL QUEBEC OTTAWA TORONTO SAINT JOHN
SHERBROOKE VANCOUVER KIRKLAND LAKE

GEO. A. WELCH & COMPANY
Chartered Accountants
213 Laurier Ave. W. Ottawa

W. J. McCOY & CO.
Chartered Accountants
W. J. McCoy, C.A. — A. G. Holman, C.A.
100 ADELAIDE ST. W., TORONTO
Phones AD. 2329 - 2320

Henry BARBER, MAPP & MAPP
Chartered Accountants
112 YONGE ST., TORONTO
Phone EL. 4244
Trustee in Bankruptcy
XRIS A. MAPP, F.C.A.

W. J. T. ADAMSON & CO.
Chartered Accountants
BIRKS BUILDING
MONTREAL

WINSPEAR, HAMILTON, ANDERSON & CO.
Chartered Accountants
Edmonton Winnipeg Vancouver
Calgary Dawson Creek

Rene de Cotret, Ferron Nobert & Co.
Chartered Accountants
Branch Office - - - - Shawinigan Falls
Three Rivers, Que.

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

P. S. ROSS & SONS
Chartered Accountants
Montreal - - Toronto - Saint John, N.B.
Winnipeg - Calgary - Vancouver
Established 1858

EVA M. LEGER
Chartered Accountant
3 Friel Block
SASKATOON, SASK.

T. P. GEGGIE
CHARTERED ACCOUNTANT
PHONE ELGIN 4741
330 Bay St.
TORONTO, CANADA

James A. Peters
Chartered Accountant
619 Broder Building
REGINA SASK.

NORMAN B. McLEOD
CHARTERED ACCOUNTANT
KENT BUILDING — TORONTO
Phone: WAverley 6460

PROFESSIONAL DIRECTORY

CERTIFIED PUBLIC ACCOUNTANTS

L. MOORHOUSE
Certified Public Accountant
19 KING STREET, St. Catharines, Ont. — 22 CROSS STREET, Welland, Ont.

FRANCIS H. JONES
Certified Public Accountant
463 SPADINA AVE. Phone MI. 1711 TORONTO

JOHN C. YOUNKIE
Certified Public Accountant
156 YONGE STREET TORONTO
TELEPHONE AD. 3589

WRIGHT, ERICKSON, LEE & COMPANY
Certified Public Accountants
66 KING ST. EAST HAMILTON, ONT.

JOHN S. ENTWISTLE & CO.
Certified Public Accountants
J. S. Entwistle, C.P.A. D. H. Hutcheson, C.P.A. N. S. Ireland, C.P.A.
DOMINION BANK BLDG. TORONTO

H. J. CORNISH & CO.
Certified Public Accountants
H. J. Cornish, C.P.A. *H. S. Whiteside, C.P.A.*
294 DUNDAS LONDON

CHEMICAL ENGINEERS

McPHAR ENGINEERING
Consulting, Research and Development on Application of Electrical Science, Electronics and General Physics.
The McPhar Engineering Co. of Canada Ltd.
WA. 1475. 83 Church St., Toronto

SAY HELLO TO SUCCESS
Keep posted on business and investments, price trends, Ottawa plans and the export outlook by reading The Post regularly. By mail, $5 a year.

CONSULTING MANAGEMENT ENGINEERS

LEETHAM, SIMPSON LIMITED
Business Consultants
University Tower Bldg. Montreal

J. EDGAR DION
Consulting Management Engineer
ORGANIZATION - COSTING - PRODUCTION CONTROL - JOB EVALUATION - OFFICE PROCEDURES - INCENTIVES
1217 UNIVERSITY STREET, MONTREAL, CAN.

B. A. MARCO D. Eng., P. Eng.
Consulting Management Engineer
2247 MAPLEWOOD AVE. MONTREAL 26, P.Q.

PAUL E. DUFRESNE T. R. McLAGAN
DUFRESNE McLAGAN & ASSOCIATES
REGISTERED
INDUSTRIAL AND MANAGEMENT CONSULTANTS
COST REDUCTION AND LABOR RELATIONS SINCE 1920
BANK OF NOVA SCOTIA BUILDING HArbour 9000
MONTREAL

STEVENSON & KELLOGG LTD.
Consulting Management Engineers
MONTREAL Sun Life Bldg. — TORONTO Canada Permanent Bldg. — VANCOUVER Royal Bank Bldg.

WALLACE G. ROUSE (CANADA) LIMITED
Management and Industrial Consultants
985 SHERBROOKE ST. W. MONTREAL
PLATEAU 8140
NEW YORK LONDON

Essential Facts For Investors
regarding
HUDSON BAY MINING AND SMELTING CO., LIMITED

currently featured in The Financial Post's survey of brokers' "Most Popular Stocks," may be secured in the form of a complete factual analysis from THE FINANCIAL POST CORPORATION SERVICE.

Price: $1.00 per company

Analyses are also available on companies previously reviewed as follows:

HIRAM WALKER-GOODERHAM AND WORTS LTD.
McINTYRE PORCUPINE MINES LTD.
BUILDING PRODUCTS LTD.
MOORE CORPORATION LTD.
CANADIAN BREWERIES LTD.
KERR-ADDISON GOLD MINES LTD.
McCOLL-FRONTENAC OIL CO. LTD.
IMPERIAL OIL LIMITED
THE BELL TELEPHONE COMPANY
CANADIAN CELANESE LTD.
PRICE BROTHERS & CO. LTD.
CANADIAN INDUSTRIES LIMITED

THE FINANCIAL POST CORPORATION SERVICE,
481 University Avenue, Toronto 2.
Please send me your detailed analysis of the companies indicated above.

Cheque for $.............. is enclosed.
Name ....
Address ....

What's New

New Products, Applications, and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Fireproofs Christmas Trees

Christmas tree fire hazard is claimed eliminated by low-cost fast-drying chemical compound produced by Toledo firm. This flameproofing product comes in liquid form, can be applied with brush or hand spray, is said to make the tree a more brilliant green and to prevent needles from dropping.

• • •

Any-View Mirror

All-purpose bathroom and boudoir mirror which, when mounted on 42-in. extension bracket can be adjusted to give user view of head and shoulders from any angle, front or back, has been devised by Pittsburgh firm. Bracket allows mirror to be extended over wash basin or over head of user. When adjusted, user's hands are left free for washing, shaving, combing hair, etc.

• • •

Can Opener-Pourer

Plastic combination can opener and pourer, with prongs of stainless steel is being marketed by New York firm. Device has one molded-in channel which serves as a liquid flow spout while another serves as air vent. Unit is inserted into can, remains airtight and flush to can's top.

• • •

Home Fire Extinguisher

Fire extinguisher for the home weighing less than 5 lb. which, it's said, can be handled easily by any housewife without special training or observance of complicated directions has been produced by U. S. firm. Extinguisher uses liquid carbon dioxide, is designed especially for fighting fires likely to start in kitchens, basements, garages and workshops.

• • •

Taper Seals Wall Joints

Taping machine for use in construction work where jointings must be covered first with cement and then tape, is offered by Kansas firm. Machine, said to perform in one hour and a half, work which formerly took two operators one full day, carries tape in roll form and has reservoir for cement "mud." A cutoff snips tape to required length. Applicator is portable, weighing only 4½lb. when empty, 8 lb. when fully loaded.

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

• • •

Baby Care Aids

Vinylite dispensers for baby oil, boric acids, or sterile water, claimed to be self-sealing, non-spilling and non-dripping and need only one hand to operate, are offered by California firm.

• • •

Auto Oil Draining

Auto oil changing machine which makes it possible to have a draining job done without driving over a pit or onto a lift has been produced by Illinois firm. Machine is a portable electric unit using motor-driven pump which takes old oil out through dipstick hole. Transparent cover plate on machine allows car owner to see what oil was taken out, what condition it's in.

• • •

For Drive-In Moviegoers

Drive-in theatre patrons may now get heat along with their movie dialogue from a new device put out by Cleveland firm. Device is mounted on guide post and may be hooked over and inside car window. A 12-ft. cord allows for sudden backing or moving unit around inside car.

• • •

Factory Floor Cleaner

Factory floor cleaner which also acts as a nonslip covering has been developed by Toronto chemical company. Said to eliminate scrubbing and reduce maintenance labor costs product, known as Safe-T-Dry may be used to replace inflammable sawdust, rags and waste. It's a specially processed clay developed to absorb water, soluble oil, soapy water and all types of grease and oil; when saturated is swept up, leaving floor surface clean.

• • •

Dry-Chemical Fire Truck

Fire truck, said to be first to use dry chemical as extinguishing agent has been produced by Wisconsin firm and is available in Canada through Toronto agent. Designed for use in airports, oil refineries, chemical plants, etc., truck carries 2,800 lb. of chemical plus 250 gal. of water; fully loaded weight 21,500 lb., has four-wheel drive, five forward speeds and one reverse. Maximum governed speed is 62 mph.

• • •

Heat-Resistant Latex

Latex compound capable of resisting high temperatures is new Goodrich development. Known as Anodex HR Latex, the new product is claimed to be only stable latex compound combining high heat resistance and good chemical resistance, imperviousness to chemicals and great tensile strength. Product can be used as coating for textiles and fabrics such as ironing board covers, insulating tapes, heat and oil resistant gaskets and industrial belting.

• • •

Faucet Acts as Dishwasher

Kitchen appliance marketed by New York firm replaces usual kitchen sink faucet to provide both clear and soapy water, hot or cold. A hose tipped with small brush provides for dishwashing.

• • •

Juice Extractor

Vegetable juice extractor for home use which, exerting 3,000 lb. of pressure, leaves dry residue of pulp and fibre, is being marketed by New York firm. It's electrically operated.

• • •

Small-Parts Drawers

Interlocking drawers of steel construction have been designed for small parts storage by Kentucky firm. Drawers are five inches front to back, two and a quarter in. deep, two and seven-eighths in. wide. Each drawer has holder for identification of contents.

ROBERT T. HAZELL

has been appointed vice-president of the Fruehauf Trailer Co. of Canada, of which he was fomerly sales manager, and later general manager.

T.S.E. Valuations Drop in November

Market valuation of all stocks listed on the Toronto Stock Exchange as of the end of November totaled $7,469,767,994, a decline of $120 millions on October's figures, but a gain of some $240 millions from November of last year.

Largest change in the industrial groups against a year ago is the oil refining, 18 stocks of which gained $142 millions at $888 millions. Next largest change was by the utilities which were up $66 millions at $816 million while papers reacted $59 millions against a year ago, of which $47 millions of the loss was taken during November.

Other changes were: an advance of $45 millions by 83 manufacturing issues at $855 millions, a gain of $19 millions by the construction and steels, an advance of $12 millions by the miscellaneous industrials and a decline of $13 millions by the liquor issues. The textiles and agricultural groups each gained $8 million, food and miscellaneous groups both lost $7 millions and retail stores were up $2 millions and finance down one.

Largest valued group of the 19 were the base metals, which were up $181 millions at $1,432,000,000, although they lost $38 millions in November. Producing golds declined $143 millions over a year ago at $478 millions, of which $18 millions was lost during November, while the gold prospects were cut by half against the figures of a year ago at $73 millions. Gas and oil stocks appreciated $71 millions at $118 millions, while the holding mines declined $7 millions at $104 millions.

YOU ASKED US

The Financial Post will provide subscribers as quickly as possible with the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

Daughter at School

Last year, my daughter was working and I could not claim her as a dependent for income tax purposes. This year she worked to the end of June, earning $500 for the six months. She is now going to local business college and her course will extend over into 1949. I now have to pay her fees, and support her. Is there any way I can claim exemption on her account in making up my income tax return?

The fact that her income this year exceeds $400 is the bar to your claiming her as a dependent, even though you are supporting her and she is still going to school and under 21. Only way in which you could claim her as a dependent would be if she has excessive medical expenses this year or if she makes a gift to the Crown, either of which would reduce her income so that it would not exceed the $400 mark.

INVESTMENTS

Century Mining Co.

Can you give me some information as to whether Century Mining Co. is actively developing its property?

Century Mining Co. discontined development of its property at Elbow Lake, Flin Flon district, Man., in 1946. Since that date, the claims have remained inactive.

The main property, comprising the Golden West mine, was developed by a three-compartment shaft to 530 ft. and extensive underground work has been carried out on the various levels. The 125-ton daily capacity mill, installed in 1941, operated for a short period before closing down. The mill is still on the property.

Dom. Foils (Canada)

Please give me some information on the funded debt of Dominion Foils (Canada) Ltd. What is the market price, if any, on these bonds?

This company has $1.1 millions of series A 5% first mortgage sinking fund bonds issued and outstanding and $400,000 of series B at 5% first mortgage sinking fund bonds. The series A bonds are dated Sept. 1, 1945 and are due Sept. 1, 1960. The series B are dated Sept 1, 1947 and are due Sept. 1, 1962.

An annual sinking fund is provided for the series A bonds commencing Sept. 1, 1948 sufficient to retire $42,500 principal amount of bonds annually plus from Sept. 1, 1949 annual interest charges on all bonds redeemed. An annual sinking fund commencing Sept. 1, 1948 applies to the series B bonds in an amount sufficient to retire $12.500 plus 1 year's interest on all bonds previously redeemed.

The Financial Post is informed that the bid price on these bonds at Nov. 24, 1948 was $98. We are further informed that a market for these bonds does exist.

PATENT ATTORNEYS

RIDOUT & MAYBEE
Patents—Trademarks
1803-7 STAR BLDG.
80 KING ST. WEST
Cable: Ridbee, Toronto Phone Ad. 0119

ARCHITECTS

H. E. GREENSPOON, M.R.A.I.C.
ARCHITECT
1434 St. Catherine St. West
MONTREAL
Telephone MArquette 7307

the sock
with
the original
cushion sole

Give your feet a treat!
HAPPY FOOT
HEALTH SOCK
PATENTED
Whether for golfing or everyday activity you must try a pair of McGregor Happy Foot Health Socks to enjoy real foot comfort — ask for them by name at your favourite hosiery counter.
Ankle length 95c pair
Regular length $1.00 pair
McGregor
QUALITY SOCKS FOR MEN

MARION & MARION
Established 1892
PATENTS • TRADE-MARKS • DESIGNS
RAYMOND A. ROBIC, C.T., F.P.I.C. J. ALFRED DASTIEN, F.P.I.C.
761 ST. CATHERINE ST. W. MONTREAL

PROFESSIONAL DIRECTORY

LEGAL

MOLYNEUX L. GORDON, K.C.
259 Dunvegan Road
Toronto 12
Taxation

Fennell, McLean & Davis
ROBERT FENNELL, K.C. W. E. McLEAN, K.C. D. D. STOKAL J. A. SEED
BARRISTERS, SOLICITORS
Telephones ADelaide 7382-7383-7384
CABLE ADDRESS, "THIMSAN"
TORONTO CANADA

S. J. SMILEY
ADVOCATE, BARRISTER & SOLICITOR
1200 St. Alexander St.
MONTREAL
LA. 8963

Thomas M. Mungovan, K.C.
80 RICHMOND ST. W.
TORONTO
Telephone Adelaide 6802

Low and Honeywell
Ottawa

KEEPING POSTED
by reading The Post every week is *the secret of success for successful readers of The Post. Every week by mail, $5 a year.*

PORTER, RITCHIE, TENNANT & RILEY
Barristers and Solicitors
HORACE A. PORTER, K.C. LOUIS McC. RITCHIE, K.C.
NIGEL B. TENNANT, K.C. DANIEL A. RILEY
WILLIAM F. RYAN
SAINT JOHN, N.B.

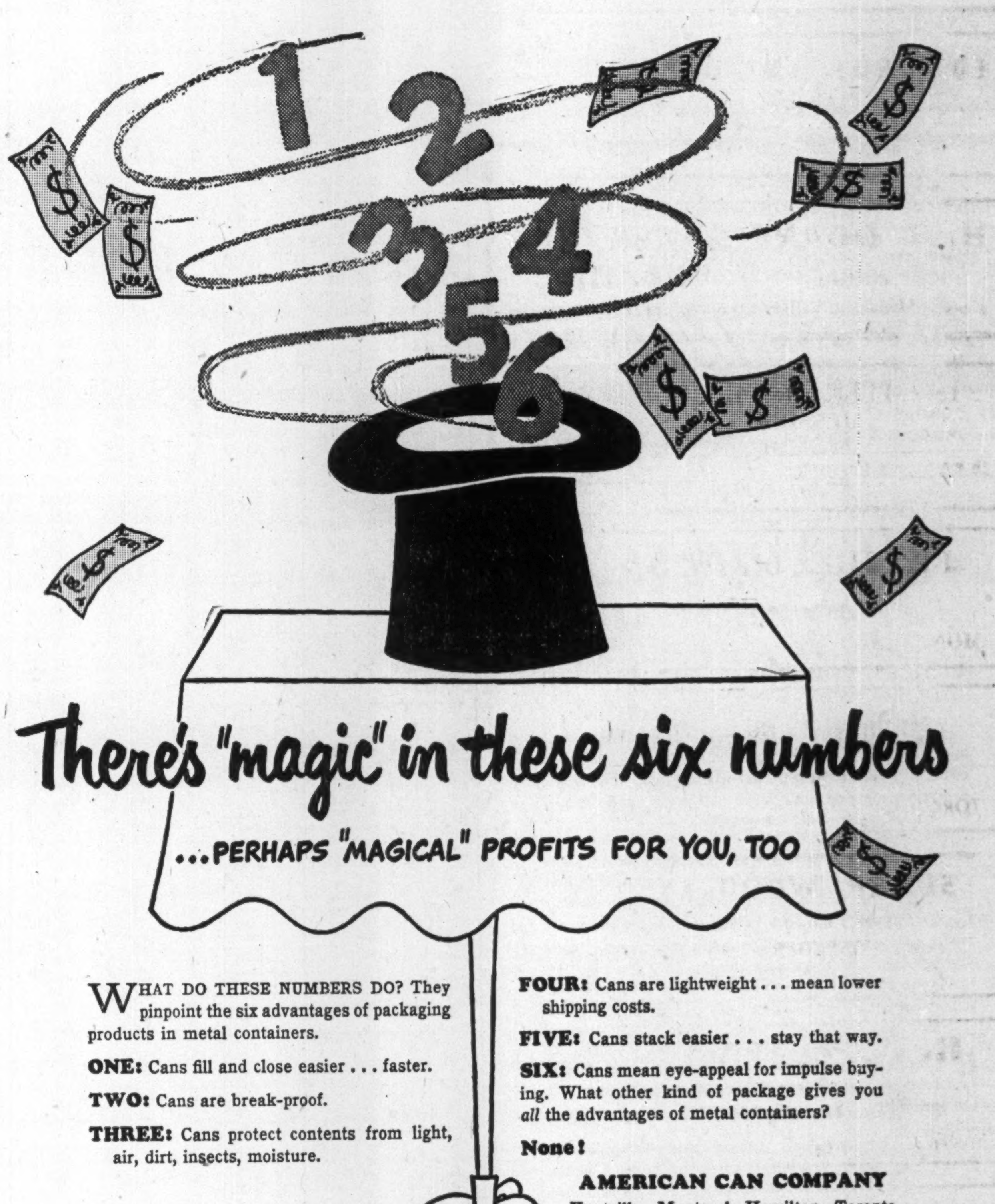
TRUDEAU, BEAUREGARD, BEAULIEU & ETHIER
Barristers and Solicitors
Maurice Trudeau, K.C. Roger Beaulieu
Philippe Beauregard, K.C. J. Alfred Ethier
204 NOTRE DAME ST. W. LA. 1126 MONTREAL

MONETTE, FILION, MEIGHEN & GOURD
BARRISTERS AND SOLICITORS
Gustave Monette, K.C. Ephrem Filion, K.C.
Theodore Meighen, K.C. J. J. Gourd Jean Monette
159 CRAIG STREET WEST MONTREAL, P.Q.

Pitblado, Hoskin, Grundy, Bennest & Drummond-Hay.
Pitblado, Hoskin, McEwen & Alsaker.
Barristers, Solicitors, &c.
WINNIPEG, MANITOBA

McLaughlin, Macaulay, May & Soward
Barristers, Solicitors, Notaries
302 Bay Street, Toronto
Telephone Elgin 4217
Cable Address "Linton, Toronto"
LEOPOLD MACAULAY, K.C.
HUGH J. McLAUGHLIN, K.C.
WILLIAM W. McLAUGHLIN, K.C.
ROWLAND F. MAY, K.C.
REGINALD H. SOWARD, K.C.
LEONARD B. WEBSTER
W. D. S. MORDEN
A. DAVID McFALL
LLOYD A. MAY

WHAT'S AHEAD?
Thousands of leading executives protect themselves by keeping posted on the outlook for business reported in
THE FINANCIAL POST
By mail, $5 per year



WHAT DO THESE NUMBERS DO? They pinpoint the six advantages of packaging products in metal containers.

ONE: Cans fill and close easier . . . faster.

TWO: Cans are break-proof.

THREE: Cans protect contents from light, air, dirt, insects, moisture.

FOUR: Cans are lightweight . . . mean lower shipping costs.

FIVE: Cans stack easier . . . stay that way.

SIX: Cans mean eye-appeal for impulse buying. What other kind of package gives you *all* the advantages of metal containers?

None!

AMERICAN CAN COMPANY
Kentville Montreal Hamilton Toronto
Winnipeg Vancouver

This trademark CANCO *is your assurance of quality containers. Look for it!*

Socialism Paying Off — in Debits

Report CCF Tannery to Fold — Here's Its History

Is Socialism in action paying off in Saskatchewan?

Canadians have been asking that question for more than four years, there has been at least one definite indication that the answer was in the negative.

Reports from Regina, unconfirmed in government quarters, but generally considered reliable, predicted that the Crown-operated tannery and shoe factory would close down within a few weeks.

One of the Douglas Government's first experiments in industrial operation, the tannery has been operating at a loss; the shoe plant finally climbed slightly out of the red in the last nine months of 1947. Here is the history of the venture, taken from last year's report.

Saskatchewan Industries was established in 1946 to carry on the activities of the former Saskatchewan Leather Products, including the footwear factory and tannery in Regina and the former Saskatchewan Wool Products operating the woolen mill in Moose Jaw.

By arrangement with the Government Finance Office, the products of all three divisions of the corporation are marketed through a central sales organization established by the latter as a service for all Crown corporations. Saskatchewan-produced wool products and shoes are now made available, through representatives in the Province of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario.

Tannery Division—Has been operating at a net loss after depreciation which amounted to $3,203 for the nine months to Dec. 31, 1947, as compared to $14,167 for the year ending March 31, 1947.

The corporation operates the only full-scale tannery in Saskatchewan. It was designed primarily to provide better utilization of hides produced in the Province. The tannery is in Regina. It is proposed that the plant will have an ultimate capacity for tanning at least 100 cowhides a day. It is also anticipated that at a later date it may form the basis of a tanning industry for the manufacture of all types of leather and for the efficient utilization of other types of hides.

During 1946 renovation of the plant and accumulation of the necessary machinery and equipment continued. Trial production was commenced in May, 1946, but full-scale operations had not been achieved up to Feb. 14, 1948. Production was hampered by an acute shortage of hides in Canada and a world-wide scarcity in tanning chemicals. Despite difficulties the tannery was able to supply the upper leather requirements of the footwear factory and to make a beginning in supplying other markets.

Toward the end of 1947 experimentation was conducted with the available equipment for the tanning of horse hides and indications were that this type of hide could be handled very effectively. The tannery took steps in the latter part of 1947 to institute a program of direct purchases of hides from farmers and butchers, and is constructing additional storage and other facilities for curing and treating raw hides.

The number of employees has fluctuated with the supply position; but a small nucleus of trained staff has been built up and as conditions warrant, production will be reorganized. Experiments are being carried out continuously to secure better finishes on all leathers and to handle different kinds of leather, Minister of Municipal Affairs, J. H. Brockelbank, chairman, reports.

Inventories totaled $39,523 at Dec. 31, 1947. The auditor states "Finished leather is valued at selling prices, and work in process is valued on a selling price basis."

SASKATCHEWAN INDUSTRIES
Tannery Division

Statement of Operations:	9 Mos. to Dec. 31, 1947	12 Mos. to Mar. 31, 1947	Period to Mar. 31, 1946
Sales	$33,910	$43,434	Not operating
Total revenue	33,912	43,454	
Manufacturing costs	30,520	52,438	
Administration expenses	2,997	1,446	
Loss before deprec.	395▲	10,430	
Depreciation	3,598	3,737	
Net loss	3,203	14,167	

▲Profit.

Balance Sheet — Assets:	Dec. 31, 1947	Mar. 31, 1947	Mar. 31, 1946
Current	$48,024	$42,751	$11,463
Prepaid expenses	1,691	998	22
Deferred charges	9,873	9,282	6,216
Building & site*	42,066	42,456	33,609
Machinery & equip.†	33,177	33,035	23,386
Office equip., etc.‡	989	770	670
Deficit	17,370	14,167	......
Total	153,209	143,459	75,365
Liabilities:			
Current	709	959	365
Gov't. finance office—advance	152,500	142,500	75,000
*After deprec. reserve	1,646	866	......
†After deprec. reserve	5,547	2,793	......
‡After deprec. reserve	142	78	......

Leather Products Division — Shows a small net profit of $520 for the nine months to Dec. 31, 1947 as compared with the loss of $12,563 for the 12 months to Mar. 31, 1947, and the loss of $15,550 for the previous period.

This division continued the operation of the footwear factory in Regina. After somewhat inauspicious start, the factory is now producing on a better basis, it is stated. The original sales arrangements were not satisfactory and were terminated as of July, 1946 and the management was changed.

In addition to the manufacture of men's and boys' workboots, the manufacture of felt shoes on a commercial scale was commenced in 1947. Main emphasis has been on the improvement of quality rather than on quantity, Minister of Municipal Affairs J. H. Brockelbank, chairman, reports.

Increasing efficiency in the staff has been noted and although there has been no spectacular rise in output, the production per man-hour has risen, he states. It has proved more difficult to train an adequate staff in this industry than in any other Crown corporation, as there were no skilled personnel available in the province.

During the period, the factory proper provided full-time employment to about 25 people with an average weekly payroll of $900.

General market demand for work boots has continued to be heavy although there is increasing evidence of greater supply. Demand for the corporation's products has increased steadily. During 1947 the corporation embarked on a policy of selling direct to retailers through the sales division of the Government Finance Office. The Saskatchewan Federated Co-operatives are also a principal customer.

Inventories totaled $72,082 at Dec. 31, 1947 of which $49,288 represented finished shoes. The auditor states "The inventory of finished shoes is valued at current selling prices to retailers less sales commission. This basis of valuation results in the recognition of an unrealized profit on the part of the inventory of finished shoes in the statement of operations for this period. The inventories of work in process and raw materials are valued at cost."

SASKATCHEWAN INDUSTRIES
Leather Products Division

Statement of Operations:	9 Mos. to Dec. 31, 1947	12 Mos. to Mar. 31, 1947	Period to Mar. 31, 1946
Sales	$71,558	$58,217	$42,838
Total revenue	72,081	58,737	43,491
Manufacturing costs	61,303	64,173	53,823
Administration expenses	7,756	4,426	3,946
Prelim. expense w/o	.....	463	......
Profit, before deprec.	2,600	10,321♦	14,188♦*
Depreciation	2,080	2,241	1,362
Net profit	520	12,563♦	15,550♦

♦Loss. *After $304 interest received.

Balance Sheet — Assets:	Dec. 31, 1947	Mar. 31, 1947	Mar. 31, 1946
Current	$87,133	$66,583	$44,472
Prepaid expenses	445	1,173	503
Deferred charges	11,715	11,422	2,789
Building & site*	26,508	26,817	25,552
Mach. & equip.†	18,101	14,972	14,314
Office equip., etc.‡	878	527	542
Deficit	27,593	28,113	15,550
Total	172,370	149,616	103,724
Liabilities:			
Current	1,370	25,616	3,724
Gov't. finance office—advances	171,000	124,000	100,000
*After depreciation reserve.	1,349	910	338
†After depreciation reserve	4,182	2,598	989
‡After depreciation reserve	153	95	35

Wool Products Division—Shows a net profit of $4,222 for the nine months to Dec. 31, 1947 after operating at a loss of $28,067 for the 12 months to March 31, 1947 and a loss of $11,457 for the period to March 21, 1946.

Its woollen mill in Moose Jaw is the only woollen mill in Saskatchewan and "is one of the best examples of the creation of a new industry in the province."

By the end of 1946 the first phase of setting up the mill and installing the necessary equipment was completed. Production was then made up entirely of heavy goods, such as blankets and ski cloth. Volume of production increased substantially during the period.

By 1947 the mill was able to enter into the second phase of its production — manufacturing of lighter cloth, such as suitings and shirt cloth. These products have met with enthusiastic reception by the public. The mill also commenced the manufacture of car robes, white blankets and knitting yarn in commercial quantities.

General demand for the goods of the mill has remained keen. The custom trade from all areas of the Prairie Provinces has greatly increased in volume during the last three years. The bulk of ski cloth production is sold to the cutting trade while other products are distributed mainly to the retail trade and the Saskatchewan Federated Co-operative.

The mill has been kept adequately stocked with wool and no redundant stocks of finished goods have yet been created as it is recognized that to hold too large an inventory would be unwise at the present time. The auditor states that "The inventory of finished goods is valued at current selling price to retailers less a provision for sales expenses. No provision has been made in this valuation for any goods that may be sold at less than the current selling price to retailers. The result of operations is dependent on the realization of the inventory at the valuation placed thereon." Inventories totaled $215,747 at Dec. 31, 1947.

The mill is equipped with the most up-to-date and largest wool-scouring train in Western Canada. Many additions and improvements have been made to the mill including new locker-rooms and an up-to-date canteen. Machinery has been added and a new boiler house erected.

It has provided steady employment and training to over 100 employees in the mill proper with an average weekly payroll of over $3,000.

SASKATCHEWAN INDUSTRIES
Wool Products Division

Statement of Operations:	9 Mos. to Dec. 31, 1947	12 Mos. to Mar. 31, 1947	Period to Mar. 31, 1946
Sales	$226,422	$303,643	$10,848
Total revenue	226,511	303,788	11,241
Manufacturing costs	164,816	289,765	16,777
Administration expenses	42,224	28,686	3,641
Profit, before deprec.	19,471	9,663♦	9,178♦
Depreciation	15,249	19,204	2,280
Net profit	4,222	28,867♦	11,457♦

♦Loss.

Balance Sheet — Assets:	Dec. 31, 1947	Mar. 31, 1947	Mar. 31, 1946
Current	$249,939	$179,801	$121,063
Prepaid expenses	2,808	6,058	2,255
Deferred charges	21,101	20,919	20,830
Building & site*	79,371	78,243	76,266
Heating system, etc.†	35,453	16,318	17,156
Mach. & equip.‡	181,785	181,017	184,458
Office furn., etc.♦	3,280	3,128	769
Manager's residence■	2,817	2,933	3,088
Automobile▲	378	458	......
Deficit	36,103	40,325	11,457
Total	613,034	529,199	437,343
Liabilities:			
Current	33,034	54,199	12,343
Gov't. finance office—advances	580,000	475,000	425,000
*After depreciation reserve	5,362	3,230	525
†After depreciation reserve	1,606	959	95
‡After depreciation reserve	29,367	17,109	1,656
♦After depreciation reserve	243	112	4
■After depreciation reserve	283	167	12
▲After depreciation reserve	153	74	......

Reopen Hearing On Tram Rates Winnipeg Asks

From Our Own Correspondent

WINNIPEG—City Council has decided to call a Greater Winnipeg conference, date still undecided, asking the provincial Government to order a new hearing on the application by the Winnipeg Electric Co. for increased streetcar and bus fares.

Under a recent order of the Public Utility Board, monthly passes were increased from $6 to $7.50, the weekly 25c permit was canceled; tickets at two for 15c, remained unchanged. (The Financial Post, Nov. 20.)

Display Co., Designer Occupy Same Building

Display Service Co., Toronto, has bought and occupied a 3-story building at 539 King St. W., Harry Despard, general manager, announces. The move consolidates establishments formerly at 197 Elm St., and 66 Dundas St. W.; provides for expanded operations, including design and fabrication of advertising displays for exhibitions, conventions and point-of-sale promotion, store, showroom and office interiors, custom-made office furniture, silk-screen, hand, lettering, wood and metalworking, model and prototype construction.

Display Service at the same time announces retention of Sid Bersudsky & Associates (The Financial Post, May 15), as design consultants to all its clients. The Bersudsky firm has transferred its operation from Sydney, N.S., to Toronto; has set up headquarters in the Display Service Co. building.

SANTIAGO MINES advises that payment of $11,000 has been received from Remsen Financial Corp. covering commitment on 100,000 shares at 11 cents per share. Issued capital totals 3,826,000 shares.

PACIFIC PETROLEUMS rights were admitted to trading on the unlisted section of the Montreal Curb Market Dec. 2.

106 Special 'Weeks' in Year From Cranberries to Posture

We've just been taking a look at 1949, and can report that everything's in order.

For example, National Donut Week will be coming up April 25, and—lest this inspire you to excessive dunking — it has been conveniently arranged that National Pharmacy Week be observed simultaneously.

(If cures can be obtained from a vending machine, so much the better. National Coin Week comes then, also.)

Seems, as a matter of fact, that we'll be celebrating something or other all year long There are 106 such "special events" scheduled in the U. S.; many will be observed in Canada, and, since the calendar no longer contains enough units to satisfy up-to-date merchandisers, this sort of doubling-up is inevitable.

There's an aptness about the seasons, too. Straw Hat Day is bravely set down for May 15, come what may, and Felt Hat day for Sept. 15.

Blowing hot and cold, Tea Bureau Inc. finds that a single week no longer suffices. As a result, National Hot Tea Week will be opening Feb. 11, and National Iced Tea Week on July 1.

Then, to fan the excitement, National Cranberry Week will be coming up in the week beginning Oct. 18.

After "Sweetest Day" Oct. 16, take pen in hand and do your duty by "National Letter Writing Week." Remember, though, that some people sit awkwardly when they're writing, and you can't do that in "National Posture Week," held simultaneously.

Anatomically, you'll be getting plenty of spotlight in 1949. There's "Foot Health Week," for instance, opening on May 31; "National Hearing Week," May 8; and "National Save Your Vision Week," March 6; and "National Heart Week," Feb. 14.

Gastronomically, the food industry has lined up a lot of interesting events, such as "Honey For Breakfast Week," opening April 17; "National Raisin Week," May 8; and "National Restaurant Week," May 2.

Sartorially, "National Sweater Week" should be jotted down for Sept. 25.

This sort of thing could obviously go on for another column or two; for, scanning the U. S. list, only one seems to be superfluous. With our future so securely mapped, why bother holding "National Prosperity Week," starting Nov. 28?

Or maybe you prefer to limit your participation to "National Laugh Week," beginning April 1.

Calgary Seeking Master City Plan

From Our Own Correspondent

CALGARY—Preparation of a master town plan for Calgary may be started early next year. The Town Planning Commission has urged that the plan be developed under guidance of the engineering department rather than by an outside expert.

(In 1912 an outside consultant had set up a master plan for Calgary but nothing has been done on it to date.)

In preliminary discussion, City Engineer Ivor Strong said the fast expansion of Calgary has brought the city to the stage where planning piecemeal is no good: "The time has come for an over-all survey of industrial sites in the city."

The city at present faces the task of finding locations for 1,200 to 1,500 new homes in 1949. A major plan covering development of arterial roads, bridges and essential services is also needed, Strong said. He estimated preparation of the plan would take a year to 18 months to complete.

PHOTOSTAT PRINTS
ADEL. 3441
COMMERCIAL PHOTOPRINTS LTD
24 Adelaide St. W.

The Wawanesa Mutual Insurance Company
ORGANIZED IN 1896
Admitted Assets.... $7,788,102.71
Surplus 3,366,186.40
Dom. Govt. Deposit 2,112,573.34
Write for Financial Statement
Head Office WAWANESA Man. — Eastern Office TORONTO Ont.
Branches at Vancouver, Saskatoon, Winnipeg and Montreal

MR. EXECUTIVE
Drive one of our new cars while you are in Toronto.
ALL CARS COMPLETELY SERVICED FULLY INSURED
CALL WA. 1111
DOMINION U DRIVE
77 DUNDAS ST. E. at Bond TORONTO

All Yours
TO WORRY ABOUT
Unless you shift the burden

When a relative or friend names you in his Will as executor of his estate, the time will come, (if you survive him), when everything that is his, — business, investments, debts and family problems — will be all yours — to worry about.

If you are a busy man or are not experienced in estate administration, you would find that arranging for Probate, valuing Assets, establishing Debts, paying Succession Duties, dealing with Investments, setting up Trusts, making Distributions, and attending generally to the many details of Administration, would be more than you could handle, with justice to either the estate, the heirs, or your own affairs.

Should this happen to you, the thing to do is appoint The Royal Trust Company your Agent, to administer the estate, which would relieve you of all but superficial functions as executor.

Conversely, and in consideration for the friend you might yourself appoint, be sure to name The Royal Trust Company in your own Will as executor and trustee of your estate, to act alone, or with a relative or friend as adviser.

It often pays in many ways to have the job well done.

THE ROYAL TRUST COMPANY
CORPORATE SECURITY — PERSONAL SERVICE
Offices across Canada from Coast to Coast

CREATORS OF CONTINUOUS FORMS AND RECORDS

AT Christmastide, with its spirit of thoughtful giving and well-wishing, the age-old feeling of joy and good-will comes to all of us.

It is with real meaning that we extend the heartiest of good wishes to all.

R.L.CRAIN LIMITED
OTTAWA CANADA
Branches in Principal Cities
Associated with The Standard Register Company Dayton, Ohio.

CUSTOMS, TRADE & TAX CONSULTANT
GORDON E. HOOPER
Formerly of the Department of National Revenue
295 METCALFE ST., OTTAWA, ONT.

YOU CAN GET YOUR SALES MESSAGE
INTO 3 OUT OF EVERY 4 FAMILIES
IN CANADA'S MAJOR CITIES

MORE FORCIBLY
MORE ECONOMICALLY

Here's COVERAGE that reaches 85.2% of all the families in Canada's 31 major cities (25,000 population and over). These centres account for approximately 50% of Canada's retail sales. It is this concentrated coverage in these heavy urban buying cities that makes the Big Four so essential to national advertisers. And your sales message is more forcibly and economically presented in the Big Four. More forcibly presented . . . because readership of the week-end paper is not just a flip-of-the-page interest but a more leisurely concentrated readership that adds audience to your message. And more economical . . . because you get complete family readership — with Dad, Mother and the children reading every issue — for a milline rate that is as low as $1.91 for black and white. Is it any wonder that so many of Canada's largest advertisers use the Big Four National Week-end Newspapers to carry their advertising message?

by using
STAR WEEKLY
THE STANDARD
LA PRESSE
LA PATRIE
The Big Four National Week-end Newspapers of Canada

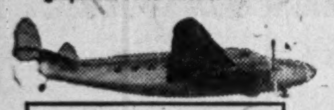
MAPS

FROM AIR PHOTOGRAPHS

FOR TIMBER INVENTORY and OPERATIONAL PLANNING

Swift : : : accurate : : : economical! Photographic Survey Company's complete reconnaissance service for pulp and paper or lumber companies includes:

- Vertical or tri-camera photography at any desired scale.
- Stereoscopic interpretation by forestry engineers.
- Base mapping.
- Addition of type and inventory data to base maps.
- Field checking.
- Contour mapping for construction planning.
- Preparation of accurate topographical relief models.



P.S.C. is at your service: Largest air survey company in the British Empire . . . fleet of 15 aircraft includes a helicopter . . . complete photo processing and mapping facilities, including Wild A5 contouring equipment . . . staff includes fully trained forestry engineers.

WRITE FOR INFORMATION

PHOTOGRAPHIC SURVEY COMPANY

TORONTO LIMITED CANADA

British Columbia Representatives: PHOTOGRAPHIC SURVEYS (WESTERN) LTD. VANCOUVER, B.C.

This City Shows What 'The Canadian Way' Means

(Continued from page 17)

civic endeavors, never dominate." The company has provided a number of sports facilities and sponsors a hockey team.

Works Council, No Union

There is no labor union in the Canadian Celanese plant. Employer-employee relations are handled by a works council which functions under the supervision of the Federal Government. Operationally the plant is divided into seven departments and each department has two representatives on the council.

Once a month these representatives meet the superintendent to take up current and minor problems; items like why wasn't the soap in the soap dish? Subjects of major importance such as working hours and rates of pay are taken up with company officials at yearly or half-yearly meetings.

According to factory Manager Clifford Hargreaves the works council system has been successful. From the employee standpoint he cites the example of the recent threatened power shortage in the area. When employees heard of the possibility of a power reduction they initiated a move to have the city bring in a power-saving program, realizing that their pay cheques as well as company earnings would suffer from cutoffs.

This same threatened power shortage brought forcibly to Celanese and other Drummondville workers the importance of hydro power to the city's life and prosperity. Some of the older inhabitants were probably recalling the days before electric power put Drummondville on the industrial map to stay.

French Soldiers First Settlers

Drummondville was first settled by soldiers from the disbanded Meurons, Watterville and Voltigeurs regiments. It was in 1815 that General Frederick George Heriot decided to settle his soldiers at Drummondville since rapids on the St. Francis River made further progress by water impossible.

It is at these rapids that Southern Canada Power Co. has built its power plants. At Hemmings Falls six units have a capacity of 33,600 hp. and a three-unit plant at Drummondville provides 18,400 hp.

Before the Southern Canada installations in 1915 Drummondville had its industrial ups and downs.

In 1880 an iron industry, a tanning factory, and a spool manufacturing plant made it look as if Drummondville was headed for industrial bigtime.

Gradually, however, these early industries disappeared and it was not until Southern Canada Power put down the hydro foundations that Drummondville entered the industrial era in earnest.

Since then Drummondville has never looked back. Spearheaded by the textile industry the city now has 25 manufacturing industries with 10 or more employees and several smaller ones. Physical growth has also meant better living and public services. Water supply, for example, obtained from the St. Francis River is filtered and treated in a modern 4.5 million-gallon filtration plant owned by the city.

New Civic Centre Planned

This year Drummondville is watching with interest the progress of a new civic centre. Sports-minded citizens would like to see a new ball park and probably a swimming tank head the list. But Mayor Gaston Ringuet says first things first and a municipal market and garage will get top priority.

Other new building is adding to Drummondville's educational facilities. Under construction now is a new Protestant High School, a new provincial government art and trade school, a new Roman Catholic high school, in St. Joseph suburb.

While Drummondville has been increasing its production and population it has at the same time been able to decrease its municipal tax rate.

In 1928 the rate per $100 of assessment was $2.55. This dropped to $2.10 in 1938, $190 in 1945 and down to its present level of $1.65 in 1946.

The French school tax is 90 cents per $100 and the English school rate is 80 cents. It is claimed that valuation for assessment purposes is very low; 50% or less of actual value.

Persons living in the five suburbs of Drummondville—St. Simon, St. Joseph, St. Jean Baptiste, Drummondville West and Grantham West—sometimes look with envy at the revenues which flow into Drummondville coffers ($360,795 in 1947). Since all the large industries are located in Drummondville, tax revenues are paid to this municipality.

This has meant, of course, that the surrounding parishes are not as well off in the matter of public services—paved roads, water supply, etc. In practice, however, the situation is pretty well evened out since Drummondville taxpayers help pay for many services which benefit all the municipalities.

In 1947 40.6% of the total revenues were required to service the consolidated debt. This year Drummondville has borrowed another $440,000 to extend the water supply services to one of its neighbors. By the end of 1948 the net debt of the city will stand at $1,987,000, it is stated, which will cost about $150,000 a year in capital and interest payments.

Seek More Industries

Busy, prosperous Drummondville is not greatly worried about debt charges, more important right now are questions of increased services and civic improvements. And now that the housing shortage is largely overcome many of the city's organizations are talking about more industries for the many industrial sites available.

To look after these and other industrial matters Mayor Ringuet asked that a special Industrial Committee be formed. This committee along with the senior and junior Chambers of Commerce, are said ready to talk to any industrialist who is looking for a place to settle.

Drummondville, a fast moving Canadian city, aims to keep ahead of the pack.

Export Curbs On Potatoes Confuse PEI

Charlottetown Port Closed Ere Shipments Can Go to Virginia

From Our Own Correspondent

CHARLOTTETOWN — Island potato men received with mixed feelings, the news of the restrictions on potato exports to the United States.

One grower says that under the new regulations, for every bushel of seed the United States takes from Canada, it will have to take a bushel off its own market from the American grower. This means that Island growers will still hold their seed markets in the States, that the American buyer will be able to get all the Canadian seed he wants, and that no Island seed will be sold for tablestock.

Another grower complains of the periods during which seed stock can be shipped to various importing states. Two steamers are on the way here to load 100 cars each for Virginia, but the grower said he would now have to cancel the charters, since no shipments will be allowed to that state until Jan. 1. With 200 cars already contracted for with his growers, he will have to transfer them by rail to Halifax or Saint John, since this port will be closed for the season by that time.

All tablestock shipments to the States are barred, and the floor price base of $1.15 per cwt. for Canada No. 1 at the farm will mean about 69c per bushel for the producer as against 75c at present prices.

Regina Utilities Surplus Is Lower

From Our Own Correspondent

REGINA—This city's three utilities—light and power, waterworks and street railway system—showed a surplus of $735,534 in first nine months of 1948; a decrease of $14,460 from the corresponding period a year ago.

Largest surplus, $697,152, was recorded by the light and power department. A $84,627 surplus was shown by the waterworks department. Only the street railway registered a deficit, $46,244, (last year $28,247 for the same period).

Industrial Growth

New plants and expansion projects to boost the nation's bulk output and product diversity.

Toronto area stays up among the leaders as industrial expansion continues across Canada. Here are typical recent developments in that cluster of growth communities, as reviewed last week by Toronto Industrial Commission, T. H. Bartley, general manager.

* * *

Shulton (Canada)

Subsidiary of Shulton Inc., Clifton, N.J., Shulton (Canada) establishes its first Canadian manufacturing operation in leased quarters at 354 Victoria St., in downtown Toronto. Shulton occupies 11,000 sq. ft., the entire third floor of the building; prepares for January start making toilet and shaving soaps, bath salts, toilet waters, lotions, other toilet preparations. Parent company, which also operates branches, at New York, Boston, Chicago, Dallas and Los Angeles, expects to serve the whole Canadian market from its Toronto plant; plans to export to British Commonwealth countries "as soon as world conditions permit."

* * *

Anaconda

Anaconda American Brass Ltd., New Toronto, recently completed installation of a $1 million extruder in its rod mill. The huge machine and auxiliary equipment occupy a space 250-ft. long. In it a hydraulic ram of 38-in. diameter exerts a thrust of 2,000 tons to squeeze red hot metal through special dies forming rods, tubes and other extruded shapes.

* * *

Buxton (Canada)

Affiliated with Buxton, Inc., Springfield, Mass., Buxton (Canada) Ltd., completes deal with Julian Sale Leather Goods Co., 600 King St. W., for manufacture of a wide range of Buxton's nationally advertised billfolds, wallets and key containers for the Canadian market. Operations are scheduled to start early 1949, with new specialized machinery. When conditions permit, it's expected a large part of Buxton's world export business will be transferred to Canada and supplied from the Julian Sale Toronto plant.

* * *

Purolator

Subsidiary of Purolator Products Inc., Newark, N.J., Purolator Products (Canada) buys six acres on southwest corner North Queen St. and Kipling Ave., in suburban Etobicoke township; plans immediate construction of one-story, 16,000-sq. ft. factory of steel and brick for completion next summer. Parent company, with branches in Los Angeles, Chicago and Detroit, makes filters for automotive, industrial and aircraft applications. Purolator (Canada) will produce a complete line of filters and elements for automotive, Diesel and farm tractor equipment.

* * *

McGuinness

L. J. McGuinness & Co., builds 10,000 sq. ft. addition to distillery in suburban Mimico. Consisting of a main floor and two mezzanines, the addition, of steel, concrete block, brick and stone will be completed early next summer. McGuinness distills gins, brandies, whiskies and liqueurs; also operates extensively in blending and bottling.

* * *

Wella of Canada

Recently formed subsidiary of Wella Corp., New York City, Wella Corp. of Canada completes manufacturing arrangement with Wilkins Chemical & Cosmetic Laboratories Ltd., with head office at 205 Yonge St. Among first products: transparent hair lacquer, lacquer sprays, hair and scalp treatments, other beauty parlor supplies.

* * *

Dillon Screening

Thos. A. Dillon Screening Equipment, 1244 Dufferin St., pushes for January completion of new $70,000 plant at 2775 Dufferin St., to increase productive capacity materially. Containing 11,000 sq. ft., the new steel, concrete block and brick premises will have ceiling 30-ft. high to house, manufacture and assembly of special vibrating screen equipment widely used for sizing, washing and dewatering sand, gravel, crushed stone, coal, ores, chemical and food products, etc.

* * *

Ditto of Canada

Subsidiary of Ditto, Inc., Chicago Ditto of Canada Ltd., 310 Spadina Ave., Toronto, announces purchase of a new one-story plant facing the suburban Queen Elizabeth Way at Wesley Ave. The building will be used to expand manufacturing facilities but the existing plant and Canadian head office will continue on Spadina Ave. Since establishing in Toronto in 1935, Ditto of Canada has steadily increased its operations.

* * *

Corrugated Box

Corrugated Paper Box Co., extends manufacturing facilities with erection of one-story, 10,000 sq. ft. steel and brick addition to its plant in suburban Leaside. The addition will provide space for storage to release manufacturing space in the existing building. Products include corrugated shipping boxes and folding cartons.

* * *

Fearnehough

Subsidiary of W. Fearnehough Ltd., Sheffield, Eng., W. Fearnehough (Canada) Ltd. (formerly Zanogen Steel Co. of Canada) buys 2½ acres on north side of suburban Queen Elizabeth Way at St. Lawrence Ave. Plans call for erection of an initial building of steel and brick, for expected substantial expansion later. Special equipment will be installed to make machine knives and shear blades.

* * *

Uniforms

Uniforms Registered, 53 College St., complete building new factory and head office at 10-14 LaPlante Ave., one-story, steel, concrete block and brick. Established in Toronto 18 years ago, Uniforms Registered makes uniforms for the retail trade across Canada and as worn by the nursing profession, waitresses, maids, beauticians, laboratory and industrial personnel.

Edmonton Asks Survey To End Transit Losses

From Our Own Correspondent

EDMONTON—City Council has asked Norman E. Wilson, Toronto transportation expert to resurvey this city's transit system, which is showing continuing monthly deficits. Mr. Wilson, who patterned the conversion of the Edmonton system from trams to trolley buses in 1936, is at present engaged on a survey in Ottawa, and will not be available here until January.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BRANTFORD CORDAGE CO. shows a net profit of $260,226 in the 14 months ended Oct. 31, 1948, date of new fiscal year end. Its net profit was $20,174 in the two months ended Oct. 31, 1948 and $240,052 for the 12 months ended Aug. 31, 1948.

Inventory position was considerably higher than normal at the end of October, which was accounted for largely by prevailing world-wide prices for raw materials.

Renegotiations of previous years' profits resulted in $123,452 being credited to earned surplus.

INCOME ACCOUNT

Years Ended:	■Oct. 31 1948	Aug. 31 1947
Net earnings	$438,068	$425,203
Less: Deprec.	15,842	16,810
Inc. tax res.	162,000	175,000
Net profit	260,226	233,398
Less: 1st pref. div.	52,010	43,050
Common div.	49,903	39,922
Surplus for year	158,313	150,421

■14 months.

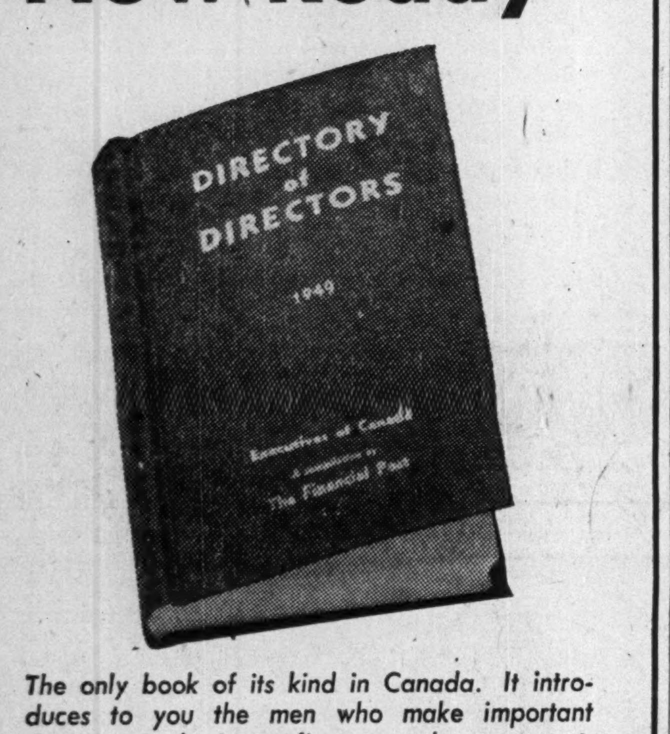
Earnings per Share and Dividend Record:		
1st pref.: Earned	$8.34	$7.07
Paid	†1.62½	1.30
Com.: Earned	2.60	2.38
Paid	†0.62½	0.50

†5 quarterly dividends.

CONDENSED BALANCE SHEET

As at:	Oct. 31 1948	Aug. 31 1947
Cash & Dom. bds.	$111,361	$865,834
Accts. rec.	250,022	763,317
Inventories	3,166,069	1,127,252
Total curr. assets	3,527,452	2,756,403
Prep. exp.§	5,917	8,931
Ref. EPT	......	17,500
Pref. sh. s. f.	......	16,343
Fixed assets*	323,274	274,607
Total assets	3,856,643	3,073,784
Bank loan	800,000	......
Accts., tax, etc., pay.	330,150	593,094
Total curr. liab.	1,130,150	593,094
Capital stock	1,160,475	1,205,775
Surplus▲	1,566,018	1,274,915
*After depr. of	990,532	975,679
▲Incl. ref. EPT	25,631	17,500
§Incl. in curr. assets in co's. report.		
Working capital	2,397,302	2,163,309

Now Ready



The only book of its kind in Canada. It introduces to you the men who make important decisions in business, finance and government.

This 1949 Directory lists more names than any other previous edition. Approximately 8,300 leading Canadian directors are included and their multiple business connections, business and home addresses shown.

For those who need reference to top management names alphabetically arranged, this book is the answer. Sales managers, particularly, find it invaluable.

Libraries, club chairmen, associations and chambers of commerce secretaries find this Directory useful. Investors use it to verify the status of management men.

This book brings your information up-to-date on the men who have influence and buying power. To get a copy, simply fill in coupon and mail it with your cheque today.

Cloth bound, gold stamped
$8 POSTPAID

THE FINANCIAL POST 481 University Avenue
TORONTO 2, CANADA. 1948
Please enter our order for ....copies
DIRECTORY OF DIRECTORS, 1949
at $8 a copy postpaid. We enclose $ .... in payment.
Company ....
Attention of ....
Street address ....
City and Province ....
D-55

On Little Cedar Lake, near Brent, Ont.

Summer Fun IN ALGONQUIN PARK

Algonquin Park is 2,700 square miles of unspoilt woodland, where you can recapture the thrill of the early pioneers in canoe camping trips, or take shorter trips from comfortable hotel or tourist cabin accommodation. It is so popular among fishermen, artists and plain holiday-makers that it's wise to make reservations well in advance.

The Superintendent, Algonquin Provincial Park, Algonquin Park Station, Ontario, can give you all the details. Train service to Huntsville from Toronto and the South or to Brent and Kiosk from Ottawa or North Bay. Allow at least a full day to drive . . . the entrance to the Park is 200 miles from Lake Ontario via highways 11 and 60.

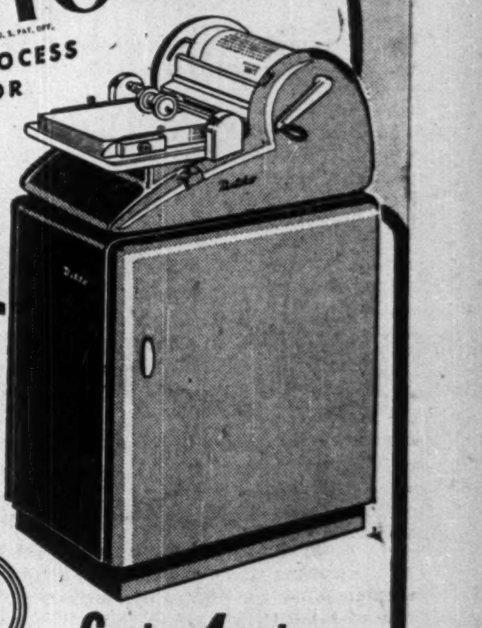
In Ontario we have a holiday paradise . . . let's do all we can to encourage visitors from across the border. Published in support of the tourist business by John Labatt Limited.

Labatt's BREWERS SINCE 1832

LET'S MAKE THEM WANT TO COME BACK!

CALL GIBSON'S FOR DYEING
Cotton and Rayon Piece Goods or Hosiery and Tufted Goods
WRITE OR PHONE
GIBSON'S DYERS—FINISHERS—CONVERTERS
1315 DAVENPORT ROAD, TORONTO—LO. 8318

CUT COPY COSTS WITH THE NEW DITTO D-15
DIRECT PROCESS DUPLICATOR



NO STENCILS
NO MATS
NO TYPE

Copies 4 colors in one operation

You will save time and money with Ditto's New D-15 Direct Process (Liquid) Duplicator. 140 copies a minute in 1 to 4 colors in one operation—without stencils, mats, or type. No inking! No make-ready! A small fraction of a cent per copy. The D-15 delivers bright, errorless copies of anything typed, printed, written, or drawn . . . quickly . . . saving time, money and labor. You will find Ditto's D-15 an economical solution to your copy problems!

DITTO OF CANADA, LIMITED
GENERAL OFFICES AND FACTORY — 310 SPADINA AVENUE, TORONTO
BRANCHES OR AGENCIES IN PRINCIPAL CITIES FROM COAST TO COAST

Canada's Most Versatile Tanners

FINE sheep and goat leathers : : fancy and embossed leathers, Shearlings, dyed lamb and Mouton Fur.

DONNELL & MUDGE Limited
NEW TORONTO
DISTRIBUTOR—FRED'K WHILLETS & CO. MONTREAL

Mr. Santa Claus —that's me!

As a Christmas shopper I'm tops! I never make a mistake! My gifts to friends and relatives are always exactly what they want. My secret? Listen : : :

I send Royal Bank Money Orders, with a personal card of course. They get the cash and buy just what they want: That makes everybody happy. Best of all, I can buy Royal Bank Money Orders for as little or as much as I like, an important consideration these days. So if Christmas shopping gets you down, try my simple solution. Your nearest Royal Bank branch will be glad to co-operate.

Send a Gift of Cash—use Royal Bank Money Orders

THE ROYAL BANK OF CANADA

Does your family fit this picture?

INCOME in early married life is never large. You haven't had time to build reserves to provide for your family in the event of premature death.

The Crown Life Guaranteed Family Income Benefit has been designed to meet the needs of the young family. It will give your family this necessary protection—and at low cost.

How? By providing a regular monthly income while the children are growing up and at the end of the income period a further payment in cash of the full face value of the policy.

Get in touch with a Crown Life Representative today. He will be glad to go over the plan in detail with you.

CROWN LIFE Insurance Company

Established 1900 — Home Office Toronto

ESTABLISHED 1899 CONTINENTAL LIFE

Double Protection At Low Cost

The Continental Life Double Protection Policy is the desirable plan for the young married man. For the same low annual premium throughout the life of the policy it gives your family double the protection during the years when your income is lower and protection is needed most. It can mature as an endowment to add to your financial independence.

So in addition to the many years of low-cost protection afforded, there is the endowment feature—substantial profits—and increasing cash values. Ask your Continental Life Representative about the Double Protection Policy today.

THE CONTINENTAL LIFE INSURANCE COMPANY

HEAD OFFICE TORONTO

NEWTON J. LANDER, PRES. and MANAGING DIRECTOR — WALTER F. SMITH, VICE-PRESIDENT

FOUR SQUARE — A Purely Canadian Company

246

Life Companies Expand Mortgage Investments

Also Invest in Industrial Properties under Recent Legislation—Higher Interest Return on Ledger Assets Expected

To what extent are Canadian life insurance companies making use of the broader investment powers conferred on them at the last session of parliament? These new powers authorized them to invest up to 3% of their total ledger assets in certain securities previously ineligible, provided, of course, these investments were not specifically prohibited in any other section of the insurance act.

A "basket clause" authorized the companies to invest in such securities as U. S. railway equipment trust certificates and revenue bonds, and eased the regulations affecting investments in no-par-value common stocks, corporation debentures, etc.

Probably the most important feature of the bill was the clause authorizing companies to invest directly in industrial and commercial real estate. This type of investment had been legal for United States life insurance companies for some time, and the Canadian restrictions against them were considered a hardship to the insurance companies.

Buy Industrial Plants

Under the new legislation, Canadian companies have been buying commercial and industrial plants from companies and leasing them back to the former owners on long-term leases. The rental return is better than that on government bonds, while the industrial company, by selling its property, increases its working capital without having to borrow.

No figures are available as to the amount of capital the life companies have invested this way but it is understood to be fairly substantial. Not all companies are going in for this type of investment it is understood, but some are.

The amount of money invested in stocks and debentures formerly prohibited is not large, it is believed. A number of companies told The Financial Post that while they were increasing the volume of stock investments, under both previous and new legislation, the total amount involved was not large. In the aggregate it is stated to be well under the maximum allowed by the insurance act (15% on common stock).

The big change in life company investments lies in mortgages. Reason is that the interest return on these is so much better than that on Dominion Government bonds, 4½% on commercial property mortgages, 5% on residential (exclusive of NHA loans). These rates are stated to be the minimum and available only on high-grade properties. In other cases rates are sometimes higher.

Company officers however, state that in increasing their mortgage investments they are simply getting back to the prewar proportions. In 1938, mortgages formed 13.36% of total company investments. In 1947 the percentage was approximately 8.3%, reflecting the change in the war years when companies were placing most of their new money in government bonds.

Most of the mortgages on residential property are in urban communities. A few are on farms. Among the prairie provinces Alberta and Manitoba are favored.

One important result of the investment situation is that the interest rate earned by the life companies on invested assets this year will probably show a moderate upturn, the first for many years. This in turn will react favorably on policyholders.

Nakash photo.

DAVID M. CHENOWETH

has been appointed vice-president and managing director of Pepsi-Cola Co. of Canada, of which he was formerly assistant general manager and sales manager.

Atomic Energy Workers' Life Expectancy Better

Workers in atomic energy installations should have slightly higher life expectancy than that of workers in the chemical industry at large, Herbert M. Parker told the 57th annual meeting of the Association of Life Insurance Medical Directors. Mr. Parker is head of the radiation protection division, General Electric Nucleonics Project at Hanford Works, Wash.

Among the factors increasing life expectancy for atomic energy workers, he specially named extra medical care given the great majority of radiation workers.

Such care, he said, includes preselection of the personnel by initial employment examinations, blood counts, and partial medical examinations at frequent intervals and comprehensive annual medical examinations.

Another factor is the intensive safety program to be found in all Atomic Energy Commission installations.

At the Hanford Works, the medical division is finding no evidence whatever of radiation-induced change in its annual medical examinations. It is believed the normal incidence of ordinary diseases is being detected at an early stage and that early treatment will then certainly increase the life expectancy of the exposed population, Mr. Parker declared.

Work in Atomic Energy Commission laboratories is almost certainly as safe or safer than, work in other similar laboratories or factories entirely free from radiation operations; and the hazards to which atomic energy workmen are exposed are by and large not different from those experienced by X-ray and radium workers for many years, he added.

BANK OF CANADA

Liabilities	Dec. 1 1948 $	Nov. 24 1948 $
Capital paid-up	5,000,000	5,000,000
Rest fund	10,050,367	10,050,367
Notes in circ.	1,273,477,930	1,274,291,871
Deposits: Dom.	86,519,841	100,631,263
Chart. banks	579,623,053	564,315,666
Other	64,143,693	75,250,152
Total deposits	730,286,587	740,197,081
Liabs. payable in sterling, U.S.A. and for'n gold currencies:		
Deposits	68,233	68,233
All other liabs.	44,100,791	29,334,361
Total liabs.	2,062,983,908	2,058,941,913
Assets		
Sterling & for'n exchange	68,233	68,233
Other currencies	50,570	65,786
Total	118,803	134,019
Subsid. coin	110,041	139,607
Investments:		
Dom. govt. shs.	1,222,124,091	1,214,613,009
Oth. Dom. govt.	793,993,806	795,885,865
Total invest.	2,016,117,897	2,010,498,874
Total share cap. at cost	25,000,000	25,000,000
Premises	2,516,637	2,515,387
All other assets	19,120,530	200,654,026
Total assets	2,062,983,908	2,058,941,913

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MOLSON'S BREWERY LTD. net profit for the year ended Sept. 30, 1948 was up 9.4%. Despite a record output, manufacturing profits were only slightly higher than 1947. As the new fiscal year opens the company is still unable to meet the demand for its product, President H. W. Molson states. Consumption continues to rise, and five provinces including Quebec and Ontario at Sept. 30 were reporting increased sales. The company has untapped markets in some principal Canadian provinces and cities and, in addition, has opportunities in export markets which the company has as yet been unable to exploit, it is said.

The new bottling building is about to go into operation. The new unit will give greater efficiency at lower cost, and ultimately when other units are completed it will play a full part in company expansion plans. The brewery now has a capacity of over 1 million barrels a year. During the last two years $3,108,981 has been paid out for new construction.

INCOME ACCOUNT

Years Ended Sept. 30:	1948	1947
Net earnings	$4,004,102	$3,910,299
Less: Deprec.	194,922	164,139
Pension fund	202,028	192,142
Income taxes	1,484,500	1,614,500
Net profit	2,122,652	1,939,518
Less: Dividends	1,125,000	1,125,000
Surplus for year	997,652	814,518
Earnings per Share and Dividend Record:		
Common	$2.83	$2.59
Paid	1.00+0.50	1.00+0.50

CONDENSED CONS. BALANCE SHEET

As at Sept. 30:	1948	1947
Cash	$336,433	$326,159
Accts. rec.	890,086	731,408
Inventories	1,661,698	1,238,421
Bonds and shs.*	3,653,281	5,218,080
Total curr. assets	6,541,498	7,514,068
Misc. assets▲	1,792,411	1,843,421
Fixed assets†	5,528,107	3,277,979
Total assets	13,862,016	12,635,468
Accts. pay.	930,387	659,670
Taxes pay.	897,070	938,891
Total curr. liab.	1,827,457	1,598,561
Capital stock	300,000	300,000
Capital surplus	100,057	100,057
Earned surplus▲	11,634,502	10,636,850
*Market value	3,821,483	5,439,069
†After deprec. of	4,112,161	3,961,007
▲Incl. est. ref. EPT	1,006,902	1,111,369
Working capital	4,714,041	5,915,507

DULAMA GOLD MINES balance of option outstanding to Industro-Mining & Investments has not been exercised, and agreement has been terminated by mutual consent. On Nov. 18 the company sold 50,000 shares at 20 cents on the open market. Issued capital is 3,250,000 shares.

Insurance Men Plan Campaign For Members

Fire and Casualty Agents Want to Establish Professional Standards

From Our Own Correspondent

CALGARY—M. R. Hardy, Barrhead, was re-elected president of the Alberta Insurance Agents' Association here; R. H. Kent, Medicine Hat, vice-president, and J. C. Wainwright, Calgary, secretary-treasurer.

H. L. Hutton, New Westminster, B.C., chairman of the Canadian Federation of Insurance Agents, announced plans for a Dominion-wide campaign for membership among insurance agents, with the object of establishing a professional status for the insurance business. Other than life insurance agents are affected.

Hutton said it was planned to conduct the drive over a three-year period and to employ a full-time secretary for the association.

He stressed the complexities of modern insurance and termed it essential that a strong organization, be built to assist insurance men with their problems and to set up standards for the business which would put it on the basis of a profession.

In British Columbia, Hutton said, there was a danger of the CCF's attaining power and socializing the industry. This, he said, would be bad for the business generally: "I cannot visualize the insurance business conducted on a civil service basis."

Hutton praised the relationship of Alberta insurance men with their Government and said the province was unique in Canada, as there appeared to be no troubles of a government nature.

CHESKIRK MINES has received $10,000 from Wedlake Interests covering sale of 200,000 shares at 5 cents a share. There are 50,000 shares remaining under a firm commitment at 5 cents a share and 500,000 shares under option at 10 to 12½ cents. Issued capital—3,070,005 shares.

Staff Changes

The Royal Bank of Canada announces the following staff changes:

R. V. SMITH, manager, Binscarth, Man., to be manager, Beausejour, Man.

K. L. PRATT, Portage Ave., Winnipeg, to be accountant, William and Sherbrook, Winnipeg.

R. A. UTTING, to be accountant, Orillia, Ont.

E. W. MUIR, to be accountant, Nanaimo, B.C.

N. T. LONG, to be special representative, London, England.

W. CRAIK, Beausejour, Man., retires.

• • •

The Bank of Montreal announces the following staff changes:

C. D. GILLILAND, assistant inspector, head office, to be an inspector with headquarters at head office.

R. D. L. ROSS, assistant inspector, head office, to be an inspector with headquarters at head office.

C. E. NOBLET, assistant inspector, head office, to be an inspector with headquarters at head office.

R. E. H. ARMSTRONG, manager, Limerick, Sask., to be an assistant inspector with headquarters in Winnipeg.

R. R. WRIGHT, manager, Nipawin, Sask., to be manager, Kamsack, Sask.

J. M. PARR, accountant, Maple Creek, Sask., to be manager, Limerick, Sask.

J. G. SIMPSON, manager, Kamsack, Sask., to be manager, Melville, Sask.

R. J. R. BONNELAND, assistant inspector of superintendent's department, Winnipeg, to be manager, Nipawin, Sask.

W. STEWART, superintendent, Maritime provinces district, relinquishes appointment as manager, Halifax, and will have supervision of branches in Maritime provinces with headquarters in Halifax.

J. A. HOBSON, secretary to general manager at head office, to be manager, Halifax.

J. K. IRVIN, accountant, Barton St. & Victoria Ave., Hamilton, to be manager, Hensall, Ont.

M. M. SMITH, manager, Niagara Falls, to be manager, Lindsay, Ont.

J. D. HICKEY, manager, Princess and Barrie Sts., Kingston, to be manager, Niagara Falls.

• • •

The Bank of Nova Scotia announces the following staff changes:

J. C. BUTT, to be manager, East Florenceville, N.B.

D. C. HOLLAND, to be manager, O'Leary, P.E.I.

L. B. McPHEE, to be manager, South Edmonton, Alta.

W. A. SPARKS, to be manager, Lloydminster, Alta.

J. W. B. THOMPSON, to be manager, Perth, Ont.

• • •

The Bank of Toronto announces the following staff changes:

G. E. ARMSTRONG, formerly manager, Wallaceburg, Ont., to be manager, Sudbury, Ont., succeeding W. E. VAN NORMAN who retires.

C. N. ROBINSON, formerly manager, Meaford, Ont., to be manager, Wallaceburg, Ont.

H. L. LENNON, formerly manager, St. Lawrence Blvd., Montreal, appointed manager, Queen & Parliament Sts., Toronto.

R. S. WELLS, formerly manager, Queen & Parliaments Sts., Toronto, to be assistant manager, Calgary, Alta.

E. R. SOUTHCOTT, formerly manager, Levack, Ont., transferred to supervisors' department, head office.

C. H. BROWN, formerly assistant accountant, Hamilton-Market branch, to be manager at Levack, Ont.

J. A. CASSIN, formerly accountant, Gaspé, Que., to be manager, recently opened branch, Grand River, Que.

J. W. LIVINGSON, formerly assistant accountant, Dundas & Keele Sts., to be accountant, Avenue Road and Fairlawn, Toronto.

R. R. SIMPSON, formerly assistant accountant, Bloor & Bay Sts., to be accountant at Donlands & O'Connor Dr., Toronto.

T. W. DENIKE, formerly accountant, Oakville, Ont., to be attached to head office staff temporarily.

J. P. FAHEY, formerly assistant accountant, Peterborough, Ont., to be accountant, South Porcupine, Ont.

INSURE WITH CONFIDENCE . . .

With the first British Insurance Office established in Canada, 1804.

1782 PROTECTION

PHOENIX

ASSURANCE COMPANY LIMITED OF LONDON, ENGLAND

55 Wellington Street West, Toronto.

FIRE • AUTOMOBILE • CASUALTY

INLAND TRANSPORTATION • MARINE

Dreams can Come true..

—Yes, dreams for the future of your children, and dreams of having money and leisure to really enjoy life can become realities.

Carefully arranged life insurance is the answer.

Canadians are purchasing life insurance from the London Life at the rate of over 200 million dollars a year.

London Life Insurance Company

Head Office - London, Canada

ON THE TARGET

We are right on top of the insurance problems of our clients.

WE HAVE TO BE

Modern business demands that insurance protection keep pace. Our duty is to see that "frilly" insurance policies are trimmed to the point of being understandable without impairment of protection.

WE CAN HELP YOU

"Representing the one who pays the premium"

IRISH & MAULSON LIMITED

Insurance Brokers, Fire and Accident Prevention Inspection Service since 1904

20 Victoria St. TORONTO, Ontario ELgin 6401 — 606 Cathcart St. MONTREAL, Quebec PLateau 8595

Advertise to EXPORT in 1949! . . . whatever you sell abroad

You can Sell MORE
You can Sell BETTER
through Maclean-Hunter Export Papers

COMBINED COVERAGE 20,000 Copies

The Leading Canadian Export Papers

CANADIAN TRADE ABROAD • INDUSTRIAL PROGRESS

481 University Ave. Toronto, Canada

THE MONARCH LIFE Assurance Company — ESTABLISHED 1906

A PROGRESSIVE CANADIAN COMPANY

Planning for retirement...

Travel . . . relaxation . . . comfortable security, every man has his own dreams for retirement. To reach that goal he must plan when he is young . . . plan his life insurance so that it will assure an adequate income for himself and his family when he "downs tools" for good.

PLANNED SECURITY

is New York Life's planned program of Life Insurance. It is specially designed to take care of retirement needs, and the future security of your whole family. With this program you make provision not only for an income at retirement age, but also for a Life Income for your wife after your death, funds for your children's education and many other benefits.

For full information on PLANNED SECURITY see your New York Life representative or write— CANADIAN DEPARTMENT HEADQUARTERS 320 BAY ST., TORONTO

SECOND CENTURY — TORONTO BRANCH: 320 BAY STREET

NEW YORK LIFE Insurance Company

A MUTUAL COMPANY—SERVING CANADIANS SINCE 1868

Other Branches in QUEBEC CITY, MONTREAL, WINNIPEG, VANCOUVER

SYMBOLS OF SECURITY AND GOOD FAITH

Everywhere you will find our representatives ready to advise you and provide insurance that is the embodiment of security and good faith.

FIRE, CASUALTY, INLAND MARINE, AUTOMOBILE

TORONTO, MONTREAL, QUEBEC, ST. JOHN, WINNIPEG, VANCOUVER

Increased Saving Essential To Further Economic Progress — B of M President, Gardner

FLEXIBLE INTEREST, MORE EQUITY CAPITAL, WOULD BE STABILIZING FORCES, BANK EXECUTIVE STRESSES

Relationship Between Employment And Productivity Discussed At B of M's 131st Annual Meeting

An appeal for "more effective measures" to check soaring prices was made by B. C. Gardner, president of the Bank of Montreal. Speaking before the B of M's 131st annual meeting, Mr. Gardner advocated the addition of two further policies to the nation's anti-inflation strategy—more flexible interest rates and a greater proportion of corporate financing in equity form. Underlying Mr. Gardner's comments throughout was the emphasis he laid on the need for increased saving. "Capital," he said, "is the product of thrift."

"Whatever the form such capital may take, be it plant, machinery, agricultural equipment, power developments, transportation facilities or anything else designed to improve the productive process," the speaked observed, "it cannot come into existence unless the community in some way or another saves something out of its current production."

"Looking back over the year, the dominant impression is one of almost feverish activity," Mr. Gardner said. "The nation's productive mechanism has been taxed to capacity, but its temperature, in terms of the price level, has been rising a good deal more rapidly than its actual output."

From the standpoint of the necessity of steady technical progress, this capital program might be regarded as a significant and encouraging development, Mr. Gardner noted. But a good deal of evidence suggested that the substantial diversion of resources into capital expansion had not been matched by an offsetting increase in saving in its various forms.

"The result of course has been conflicting and competing monetary demand for both capital and consumer goods and a strong impetus to the upward spiral of prices and costs," the president said.

Government Saving Needed

"During the past two years the Federal Government has operated at a substantial surplus, which of course has directly reduced inflationary pressures by drawing off purchasing power from the economy," Mr. Gardner pointed out. "Under the circumstances of the time, the provision of large governmental surpluses is sound fiscal policy. One cannot but wonder, however, whether sufficient attention is being paid to the levels of governmental income and expenditure at which the surplus is forthcoming. At a time when a high rate of saving is necessary in the national interest, one might justifiably expect governing bodies to give a lead in the elimination from the public budgets of all but absolutely necessary outlays.

"This point," he asserted, "takes on added significance in that existing levels of taxation have a direct and adverse effect on the saving capacity of the public, particularly that portion of the community to which one might otherwise look as a substantial source of venture capital."

Referring to the chartered banks modifying their policies as to lending for capital purposes, in order to dampen down the inflationary element in a situation of over-investment in relation to saving, the speaker admitted that the result of this action had been to divert some new capital financing into channels outside the banking system. On the other hand, it was apparent that "a great deal of new capital expansion" was being financed out of corporations' own resources, through the use of accumulated liquid assets.

Urges Flexible-Interest Policy

"It would appear that the problem of avoiding the inflationary consequences of a capital expansion boom calls for more effective measures than the two I have just mentioned," Mr. Gardner observed. "In the past, the rate of interest has been a powerful force tending to equate the demand for and the supply of capital. At a time when the demand for capital was straining the resources of the community, the interest rate would gradually rise, performing the twofold task of stimulating saving and retarding the rate of capital outlay.

"I am not arguing for the return of dear money, but I do suggest that we have now reached the point where there would be definite advantages in introducing a further element of flexibility into our interest rate structure, particularly as far as short-term rates are concerned. Whether such a move would appreciably stimulate saving is admittedly doubtful. But I think that, on the other side of the account, a more flexible rate structure would be of great psychological value as an indication to the business community that capital expansion is proceeding at an abnormally high rate."

Mr. Gardner held it "highly desirable" that a greater proportion of corporate financing be done in equity form rather than through the issue of additional debt. "At a time of rapidly rising prices, costs of production inevitably tend to become more rigid," he said, "and in many instances fixed costs have been further increased by carrying charges on a burden of indebtedness out of proper proportion to the investment at risk in the business in the form of equity capital."

B. C. GARDNER, M.C.
President

Under conditions existing in the Canada of 1948, the limits of further economic advance were, by and large, physical rather than financial, Mr. Gardner continued. This was not to suggest finance was of no importance. Sound finance could do much to ease inflationary pressures. Unsound finance could produce disastrous results. The point he wanted to make was that "we are about as close to the limits of full employment in Canada as is ever practically possible and we have been in that situation for some time."

Values Do Not Reflect Growth

It had been estimated that the gross value of Canada's production of goods and services in 1948 would be approximately $15 billions as against only about $5 billions in 1939, the speaker commented.

"This on the face of it, is a most impressive increase, but it does not by any means indicate that, as a nation, our productivity is now three times what it was before war," he said. "In real terms of goods and services our national output has probably increased during this period by something like 80 per cent. But between 1939 and late 1946 the supply of money in Canada just about tripled and has not since shown any significant reduction, while per capita personal incomes even after direct taxes are, on the average, well over twice the pre-war figure."

This wide disparity between the supply of money and the things it buys had, broadly speaking, its counterpart in the United States and appeared in even more exaggerated form elsewhere, the B of M president added.

Investment at Peak Levels

For two years Canadians have experienced a boom in capital expenditures for new plant and equipment of all kinds, Mr. Gardner remarked. Both absolutely and in relation to total productive resources, combined capital investment of private enterprise and governmental bodies was at peak levels. Such capital expenditures, including outlays on housing, had reached "$2,400 millions in 1947 as compared with an annual average of $700 millions in the five pre-war years 1935-39," and had "mounted again to an estimated $3,000 millions in 1948."

G.R. Ball Praises Personnel

General Manager Inspected 135 Canadian Branches and U.S. Offices

TRAVELS 13,000 MILES

"Since January last I have travelled over 13,000 miles for the express purpose of meeting as many of the staff as possible," Gordon R. Ball, B of M general manager, told the 131st annual meeting. "In my travels from coast to coast I visited 135 branches in Canada, as well as our offices in the United States."

Terming the experience "most inspiring," Mr. Ball said it also confirmed from personal observation that the bank is well represented in the communities it serves. "I cannot speak too highly of the fine spirit of teamwork, enthusiasm and devotion of which I found evidence on all sides," he added.

Emphasizing the B of M's wish to do all it can to assist its staff to assume more responsible duties, Mr. Ball stressed that "our staff problems are under constant and careful review, not only in a broad sense but with special regard to each individual situation."

Deposits, Assets At Record, Loan Increase Less Marked, Reports Bank of Montreal

GORDON BALL, GENERAL MANAGER, SAYS VOLUME OF BANK TRANSACTIONS GROW APACE THROUGHOUT YEAR

B of M Gives Courses To Senior Staff And Beginners, Plans Classes For Intermediate Groups

Growth of its total assets and deposits to record levels and a gradual levelling-off of commercial and personal loans characterized the Bank of Montreal's year, reported Gordon R. Ball, general manager, to shareholders at the recent annual meeting of the Bank of Montreal.

"Our total assets at the year-end aggregated $1,991 millions—an increase during the year of $93 millions," the speaker said. Deposits grew to a new high of $1,877 millions. Commercial loans, at $403 millions as compared with $382 millions last year, were slowing down beside the increases of previous postwar years. Personal loans were also levelling off gradually, but farm improvement loans grew by almost 50 per cent within the year.

"The volume of banking transactions continued to increase throughout the year," Mr. Ball stated. The B of M's business abroad showed further expansion, while in Canada the Bank opened 14 branches and sub-agencies to meet the increasing demand for its services.

With the rapid increase in B of M personnel during recent years, the bank now operates schools for entrants at Montreal, Toronto, Winnipeg and Vancouver, extending its educational work to include senior staff courses at the head office in the past year. In the coming year the B of M intends to broaden the scope of these schools by instituting classes for intermediate groups.

Analyzes Business Conditions

"The upward trend that has so far characterized business activities in the postwar period has continued, but with scattered evidences of some readjustment," Mr. Ball emphasized. "Employment is still close to the maximum of the available labor force while the average earnings of those employed in industry have risen to peak levels. Farm income is also higher with generally higher prices for farm products, although the declining level of agricultural prices in the United States has been reflected here to some extent in recent months."

GORDON R. BALL
General Manager

Mr. Ball observed that, while the upward movement of prices had persisted throughout the year, the rate of advance had tended to be "somewhat less rapid" in recent months. The construction and capital goods industries were using a high proportion of available productive capacity. Sales to consumers, higher in dollar value, were smaller in physical volume, and consumer resistance to rising prices was becoming increasingly evident in some lines. Available figures indicated a further increase in the proportion of sales financed on credit. The greater amount of risk in business was reflected in an increased number of commercial failures.

99 of Every 100 B of M Loans Authorized Locally

"In our general lending policy we have been particularly anxious to meet the requirement of small business concerns and individual borrowers," Mr. Ball asserted.

"Despite this," he continued, "it has been alleged from time to time that because of a concentration of financial resources in the larger centres. Canadian business concerns, and small ones in particular, are at a disadvantage in dealing with branch banks in the smaller centres, the inference being that only relatively few have access to credit.

"With this view I emphatically disagree. The full facilities of the entire bank are placed at the customer's disposal at all of our branches and the number of borrowing accounts on our books is to us a clear indication that our customers' requirements are being properly and promptly met.

"I may say that as at September 30th last, of the total number of loans on the books of this bank over 99 per cent were made directly by and at the discretion of our branch managers and local superintendents."

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CONSUMERS GLASS CO. net earnings were down over $75,000 in year ended Aug. 31, and, despite a substantial reduction in provision for income taxes, net profit was slightly lower at $641,852. Selling price of company's products has been moderately advanced and has only partly compensated for the substantial further rise in prices of materials and labor costs, President E. J. Brunning states.

The rehabilitation program has been completed, and after expending $369,671 on fixed assets during the year, working capital was $278,555 lower at $1,879,410.

INCOME ACCOUNT

Years Ended Aug. 31:	1948	1947
Net earnings	$1,134,930	$1,213,568
Less: Deprec.	100,079	93,162
Inc. tax. res.	392,999	470,217
Net profit	641,852	650,189
Less: Divds.	639,140	639,140
Surplus for year	2,712	11,049
Earnings per Share and Dividend Record:		
Common	$2.01	$2.03
Paid	2.00	2.00

CONDENSED BALANCE SHEET

As at Aug. 31:	1948	1947
Cash	$35,966	$235,529
Accts., etc., rec.	811,736	701,418
Market invest.	851,500	1,051,500
Inventories	767,851	590,347
Total curr. assets	2,467,053	2,678,794
Misc. assets▲	275,458	268,194
Fixed assets	3,415,557	3,061,957
Total assets	6,158,068	6,008,945
Total curr. liab.	587,643	520,829
Deprec. reserve	2,375,160	2,291,065
Furnace res.	65,000	48,300
Capital stock	1,044,326	1,044,326
Capital surplus	38,897	38,389
Earned surplus▲	2,047,042	2,066,036
▲Incl. ref. EPT	229,677	245,212
Working capital	1,879,410	2,157,965

MURPHY PAINT CO. net profit for the year ended Aug. 31, 1948 was up 26.6%, sales again reaching record proportions. Raw materials of the highest grade are becoming much more freely available. Synthetic resins are made at the new plant at Long Branch, Ont. and by far the largest proportion of oils, pigments and chemicals are purchased in Canada. Outstanding exception is titanium, supplied from the United States. Company officials are optimistic about even better results in the 1948-49 fiscal year.

CONS. INCOME ACCOUNT

Years Ended Aug. 31:	1948	1947
Net earnings	$720,030	$583,122
Less: Depreciation	156,781	79,176
Deb. int.	13,750	2,562
Inc. tax. res.	224,300	244,600
Net profit	325,199	256,784
Less: Com. divd.	82,560	82,560
Surplus for year	242,639	174,224
Earnings per Share and Dividend Record:		
Common	$3.15	$2.49
Paid	0.80	0.80

CONDENSED CONS. BALANCE SHEET

As at Aug. 31:	1948	1947
Cash	$179,605	$134,364
Accts., etc., rec.	666,849	682,602
Inventories	1,380,713	1,047,954
Total curr. assets	2,227,167	1,864,920
Prep. exp.§	44,178	15,263
Ref. EPT	61,822	88,000
Misc. assets	33,560	......
Fixed assets*	1,413,805	1,388,553
Total assets	3,780,532	3,356,736
Bank loan	405,100	......
Accts., etc., pay.	382,729	566,869
Taxes pay.	240,930	190,996
Total curr. liab.	1,028,759	757,865
Funded debt	437,500	500,000
Capital stock	868,600	868,600
Earned surplus▲	1,445,673	1,230,271
▲Incl. ref. EPT	83,003	88,000
*After depr. of	599,872	439,476
§Incl. in curr. assets in co's. report.		
Working capital	1,198,408	1,107,055

"Good Business Practice Is The Basic Essential Of Good Public Relations," Says B. C. Gardner

"No realistic appraisal of present-day conditions can ignore the fact that our system of individual enterprise is under attack," stated B. C. Gardner, Bank of Montreal president, at the recent annual meeting of the Bank of Montreal. "The Canadian people are being urged by doctrinaire socialists to abandon the forces of individual incentive and healthy competition in favor of widespread and permanent bureaucratic controls together with nationalization of major industries.

"We are, of course, being asked to take the benefits of socialism on faith, since it is an incontrovertible fact that the living standards achieved under our present system are the envy of nations subject to the bureaucratic yoke. Nor can any Canadian hope that it will be possible to establish in this country some form of selective economic dictatorship that will apply to others but leave him unscathed. The experience of other countries makes it perfectly clear that once regimentation is established, no interest or class in the community can escape its toils."

Such considerations challenged all Canadians but placed a particular responsibility on businessmen, Mr. Gardner stressed, adding that "I hold no brief for any concern that in this day and age operates without regard to the public interest."

"Good business practice is the basic essential of good public relations," he stated. "But at a time when opponents of private enterprise are vigorously spreading the idea that a well-run successful concern must *ipso facto* be a social menace, business must tell its story more completely, and in terms more readily understood by the man in the street, than it has done in the past."

BOOKS FOR BUSINESSMEN

ROOSEVELT AND HOPKINS: An Intimate Story, by Robert E. Sherwood. Published by Musson Book Co., Toronto. 900 pages; 32 illustrations. Price $6.

This is the story Hopkins would have told had he lived. It is the full, inside story, told from the viewpoint of one who stood at the centre of it with Roosevelt, and saw the whole show, played in many of the scenes. It is the story of the conferences in London, Moscow, Chungking, Washington, Cairo, Teheran, Quebec, Yalta; of the decisions taken, of the wide-flung global plans—those that went wrong as well as those that succeeded—of the frantic improvisations, the top-secret correspondence, the bad guesses and successful gambles on which millions of lives hung.

Sherwood's book, with Churchill's memoirs when completed, will likely stand in history as chief source-books of the world's greatest conflict.

HOUSES FOR CANADIANS, by Humphrey Carver. Published by University of Toronto Press, Toronto. Price $2.

What are the forces and factors which have created a housing problem in Canadian cities? What do we want to do about the problem? And whose is the responsibility for solving it? These are the questions for which we must find an answer if we are to put an end to the miseries of overcrowding from which we suffer today.

"Houses for Canadians" is an analytical three-year study of housing centred on greater Toronto. For housing problems are local and cannot be realistically expressed in national terms; a discussion of housing may become academic unless consideration is given to actual people and actual places. The reader will find that while the major part of the statistics on which the study is based refers chiefly to the Toronto metropolitan area, the general conclusions drawn from them apply very widely.

HALIFAX: Warden of the North, by Thomas H. Raddall. Published by McClelland & Stewart, Toronto. 348 pages; 14 illustrations. Price, $6.

With the bicentennial of Halifax only a few months off, the publication of this lively, readable history of the city is well timed. The story of Halifax is one long romance, filled with odd and colorful characters from governors to trollops, with seldom a dull moment for its people, whether at work, play or war.

The city was created by a pen stroke in London in the 18th century, and when Cornwallis' soldiers and Cockneys built their first huts by the shore they were putting down the single root from which grew eventually the whole Dominion of Canada. In subsequent years, both in conquest and defense, on land and sea, Halifax has played a role unique in the story of the British Empire. And the role goes on, with its naval and air influence reaching all the way from Hudson's Bay to the Caribbean, and across the Atlantic to Europe.

No other city in the world has the strategic importance of Halifax in war, and few have its possibilities in the way of trade by air and sea. It is Canada's doorway to the world—with a sword hung close beside the post.

HARVEST TRIUMPH, The 100-Year Story of Massey-Harris, by Merrill Denison. Published by McClelland & Stewart, Toronto. 400 pages; 37 illustrations. Price, $3.50.

Merrill Denison recreates the past in a stirring saga of pioneer energy and initiative in this first full-scale individual history to be published in Canada. From humble beginnings as a small implement repair shop in the middle of the 19th century, Massey-Harris has forged ahead until it ranks today as the world's leading exporter of farm implements—a vast commercial enterprise doing business with 72 countries throughout the world.

The story of Massey-Harris parallels the development of agriculture in the Canadian West. In broad outline the story presents the most comprehensive history of the implement industry yet published; the struggle between technological development and the forces of nature.

THE TRIPLE CHALLENGE: The Future of Socialist Britain, by Francis Williams. Published by Ryerson Press, Toronto. 306 pages. Price, $2.75.

Francis Williams was until lately adviser on public relations to Prime Minister Attlee; this book was started after he had left his Downing Street post and returned to writing. In this book, he guides his reader through Britain's political revolution — explains its history, background, trends, and possibilities. His comments about the chief actors on this lively stage are illuminating and instructive, for he knows them personally.

He discusses the newly assumed character of the British Empire, the probable aims of Russian diplomacy, and Anglo-American policy, with a note of quiet optimism.

THE THEORY OF ECONOMIC CHANGE, by B. S. Kierstead. Published by MacMillans of Canada. 386 pages, $5.

A series of related essays exploring the possibilities of theoretic treatment of economic change. The author, professor of political economy at McGill, does not believe that the method of study which deals with economic change in terms of the concept of equilibrium is appropriate to the subject. He sets forth his own method in the study of changes in the economy as a whole and in the theory of the process of the firm. There is a section, of special interest to Canadian readers, on the theory of changes in the location of industry and a final section on questions of policy.

HOW TO STOP WORRYING: And Start Living, by Dale Carnegie. Published by Musson Book Co., Toronto. 306 pages. Price $3.

"This book," the publishers claim, "may change the whole course of your life by showing you how to break the worry habit, and by teaching you mental attitudes that will lead to inner security and happiness."

The author of "How to Win Friends and Influence People" has produced a practical, concrete, easy-to-read handbook designed to help conquer worry. He offers a set of practical formulas that, he maintains, can be put to work tomorrow and can last a lifetime. He puts forth "tested techniques that, have worked for thousands of men and women in every walk of life."

Essence of Carnegie's book is that the way to stop worrying is to stop worrying; it's as simple as that, in theory. The value of this volume lies in the methods and illustrations of putting this simple theory into practice.

INTRODUCTION TO ECONOMIC SCIENCE, by George Soule. Published by MacMillan Company of Canada, Toronto. 154 pages. Price, $3.25.

Intended as a guide to "the new knowledge that is making economics a science instead of a dogma," Soule has written a brief and lucid report of recent discoveries and ideas resulting from the patient research of economists who regard their calling as the application of scientific method to economic behavior rather than as an elaboration of dubious "principles." He examines national income, American economy, inflation and depressions, national economic budgets, the theories of John Maynard Keynes and his followers, and the relation between national economies and the world economy.

YOUR CREATIVE POWER, by Alex Osborn. Published by S. J. Reginald Saunders & Co., Toronto. 375 pages. Price $3.75.

The author, fourth man in the famed advertising team of Batten, Barton, Durstine & Osborn, subtitles his book: "How to use imagination to brighten life, to get ahead." In readable style, and with understandable ideas, he sets forth about 100 ways to make man's creative mind (as distinct from his judicial mind) do more for him.

He draws heavily on works of other toilers in this field—Arnold Bennett, Dale Carnegie, Ernest Dimnet, Lowell Thomas, A. E. Wiggam and Alexander Woollcott—to compose a volume designed to give practical help and positive inspiration to active-minded men and women in every walk of life.

THE FALL OF MUSSOLINI: His Own Story, by Benito Mussolini; edited and with a preface by Max Ascoli; Translated by Frances Frenaye. Published by Clarke, Irwin & Co., Toronto. 212 pages. Price $3.25.

This is the first appearance in English of, as far as can be determined, the only record Benito Mussolini left of his last years. These memoirs give the unique story of the fall of an empire, told by the man who created it. It is his account of the last days of Fascist Italy and of the final period of his own life.

The book, of course, is not unbiased historical fact.. It is Mussolini's apologia, his attempt to prolong the Duce myth, his last desperate bid to the Italian people for reinstatement.

Bathurst Power Net Profit Up

MONTREAL (Staff) — in a statement accompanying current dividend cheques, Bathurst Power & Paper Co. President R. L. Weldon states that estimated net profit for the nine months ended Sept. 30, 1948, was $1,299,766, approximately 26% above the comparable figure a year ago.

This represents earnings on the $400,000 outstanding class "A" shares alone of $3.25 a share. On a participating basis, earnings on the class "A" are estimated at $2.49 a share and on the class "B" 99c a share. It is pointed out, however, that the class "B" does not participate until dividends at the rate of $2 a share have been paid on class "A." Present dividend rate on the class "A" is $1.50 a share per year.

Estimated net earnings before depreciation, depletion and taxes for the nine-month period were $2.6 millions. Provision for depreciation and depletion, plus reserve for estimated taxes on income, totaled $1.3 millions. Current assets as at Sept. 30, 1948, totaled $9.7 millions including $3.4 millions of cash and marketable securities. Current liabilities were $1.8 millions.

Navy Loses Bloodless 'Battle' Need of Costly Escort Proved

OTTAWA (Staff) — Defense significance of the "defeat" of the Canadian Navy by modern submarines off Halifax recently is this: that the submarine and the surface ships are back once more to about their relative positions in 1939.

At that time, the sub was definitely on top of the situation. This is true again today, despite the fact that tremendous technical improvements were made during the war by way of anti-submarine detection devices, etc.

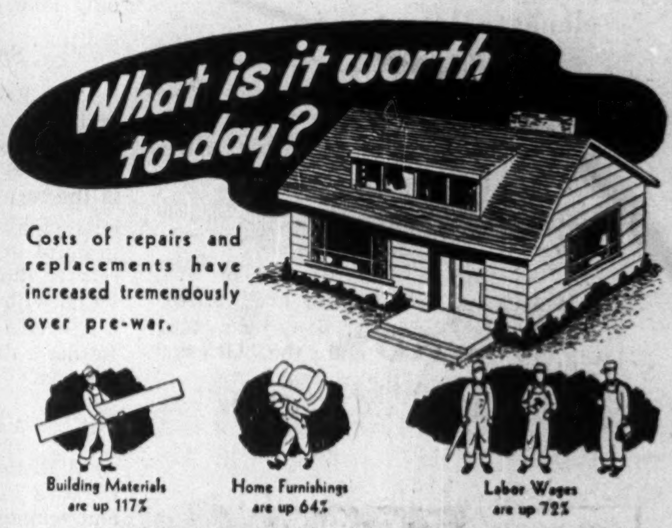
The newest type of submarine is reported able to make at least 17 or 18 knots. At Halifax there were eight subs and only four Canadian ships. As well as being outnumbered, the Canadian ships didn't carry their full complement of aircraft. In any event, the subs scored a decisive victory; would probably have done so even if the "odds" had been more nearly balanced.

The important point for Canada and for all navies is that there isn't yet agreement on what is the best type of escort vessel for a navy such as ours, under present-day conditions.

Canada, United Kingdom and United States are all reported to have new designs under way. None has been finalized. This is one place where there will apparently be no standardization, except perhaps as to certain items of equipment. It is expected that each country will continue to work on the problem separately.

There is still no date as to when Canada will place orders for the two or three new escort vessels which are to be constructed in Canadian yards. The best present estimate is that it is hoped to place these orders before the end of the present fiscal year (March 31, 1949).

They will be fast vessels of a type more nearly approaching a destroyer than the old-time frigate.



Costs of repairs and replacements have increased tremendously over pre-war.

FIRE INSURANCE should be checked periodically to see that there is adequate protection!

THE CANADIAN FIRE INSURANCE COMPANY
THE CANADIAN INDEMNITY COMPANY
HEAD OFFICE: WINNIPEG

Good Companies All...

Great American Insurance Company New York — Great American Indemnity Company New York

ROCHESTER UNDERWRITERS AGENCY NEW YORK — AMERICAN ALLIANCE INSURANCE COMPANY NEW YORK

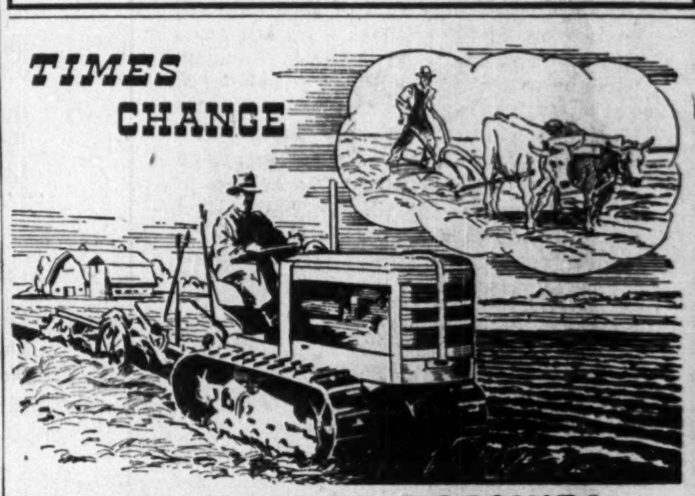
Policies in the Great American Group assure you of first-class protection in large, sound companies with an enviable record for prompt loss settlements.

Let the Great American Group, which writes practically every form of insurance except life, consolidate all your insurance risks through one of its conveniently located agents—or your own broker.

HEAD OFFICE FOR CANADA AND NEWFOUNDLAND
J. H. HARVEY, Manager
465 St. John Street, Montreal, Que.

BRANCHES IN
TORONTO ONT. George E. HOWE — LONDON ONT. H. O. HOLROYDE — WINNIPEG MAN. L. B. SPEECHLY — VANCOUVER B.C. W. EVANS

A GROUP OF COMPANIES CONDUCTING BUSINESS ONLY THROUGH REPUTABLE LICENSED AGENTS AND BROKERS



BUT NATURE DOESN'T!
THE NEED FOR PROTECTION AGAINST CRIPPLING LOSS FROM FIRE AND WINDSTORM ALWAYS EXISTS

Specialization in fire and windstorm insurance has given The Portage Mutual complete knowledge of this important field. Result—ample indemnity at minimum rates, further assured by soundest resources. "Service with Security" has been a living motto for 64 successful years.

The PORTAGE LA PRAIRIE MUTUAL INSURANCE COMPANY
HEAD OFFICE - PORTAGE LA PRAIRIE
WINNIPEG - REGINA - EDMONTON

Competitive Banking System Best Meets Needs; Offers Sound, Flexible, Safeguarded Service

78th Annual Meeting of Shareholders THE DOMINION BANK

Before Passing Judgment It Is Essential to Have Knowledge of Things to Be Judged

Assets of $393 Millions Reach New High — Strong Liquid Position Reported by General Manager Robert Rae

Business Advised to Follow a Cautious Policy Regarding Capital Expansion

At the 78th Annual Meeting of The Dominion Bank held at the head office, Toronto, on Wednesday, December 8th, 1948, the President and the General Manager addressed the shareholders.

The President, Mr. C. H. Carlisle, was in the chair.

Address of Mr. Robert Rae, General Manager

It is with much pleasure that I submit the Balance Sheet of the Bank as at 30th October last; I trust that the result of the year's operations will be deemed satisfactory.

Profit and Loss Account

The Profit and Loss Account shows that after making appropriations to Contingency Reserves, providing $247,000 for depreciation of Bank Premises and $950,000 for Dominion and Provincial Taxes the net profits for the year were $1,122,000. Of this sum $700,000 has been paid in dividends leaving $422,000 to be carried to Profit and Loss Account, an increase of $150,000 from a year ago. The Balance of Profit and Loss Account now stands at $1,054,000.

You will probably agree that this is a satisfactory showing taking into consideration our increased operating expenses due mainly to higher remuneration paid to the staff.

Assets and Deposits Higher

You will observe that the Total Assets have increased by approximately $33 millions and have now reached $393 millions—the highest point in our history.

Total Deposits have increased $35 millions and now amount to $358 millions. $8 millions of the increase was in Dominion Government deposits and the balance almost equally divided between interest bearing and non-interest bearing deposits.

We continue to show a highly liquid position. Cash Assets at over $68 millions are equivalent to 18.63% of public liabilities, while Quick Assets including cash assets, investments and call loans at $241 millions are 66.04% of liabilities to the public.

Increase in Loans

The demand for loans has not kept pace with the increase in our deposits and accordingly our surplus funds were invested in Dominion Government securities. These have now reached a total of $138 millions, an increase of $19 millions from last year, and comprise the bulk of our investments which now total $162 millions. The balance of $24 millions is invested in Provincial and Municipal Government bonds and other high grade securities. The rapid expansion in Current Loans in Canada, so evident in our last two annual reports, has slowed down and, at $132 millions, are only 3.7% higher than a year ago—mostly accounted for by increased grain loans.

Bank Premises

Our investment in Bank Premises, including equipment, now stands at $5,803,570 an increase of $461,042.

During the year branches were opened at the following points:
Newmarket, Ontario.
Port Credit, Ontario.
Ottawa Street, Windsor, Ontario.
Vilna, Alberta.

Since 30th October last we have opened branches at Cornwall and Port Arthur, in the province of Ontario, both being substantial, well-equipped offices.

It was necessary for us to make much needed extensions and improvements at a number of locations and this policy will be continued where crowded quarters make this advisable. It is not intended to proceed with other than the most necessary work until conditions in the building trades improve. Our operations in Vancouver have been hampered through lack of a suitable main office. This will be remedied by the erection during the coming year of a new building at the corner of Granville and Pender Streets, the plans for which are now being prepared. I might mention also that we have acquired premises for a new branch in Edmonton, in the heart of the retail business section.

We have installed considerable mechanical equipment in our branches during the year and have had to make purchases of safes and safety deposit boxes which are only now becoming available in quantity.

Splendid Work by Staff

The Bank is dependent on the services of its personnel for the successful conduct of its daily business operations. The Balance Sheet which has been presented today is the result of the loyal and efficient labours of all members of the staff. We are grateful to them for their co-operation and service during the year. Being closely in touch with all our employees, I know what a splendid job they have done and I wish to thank them sincerely on your behalf and my own.

Advises Cautious Policy

Statistics have recorded the unparalleled increase in prices and volume of business and employment over the post-war years, and have lately shown signs of rising less abruptly or even flattening out. This suggests the advisability of business, large and small, maintaining an adequate working capital position and adopting a conservative attitude towards inventory accumulation and capital expansion. We are hopeful that the smaller increase recorded in our current loans is an indication that the customers of this Bank, in the main, are following this course.

We are in the midst of a world-wide "cold" war which has already burst into flames in China. Canada has taken an increasingly important part in the United Nations Organization and we trust that the deliberations of that body, backed by preparedness, will result in a settlement of the differences which have arisen between Russia and the Western Democracies and that a lasting peace may ensue. We are sure that every Canadian will wish to support those in whom he reposes authority at this critical time.

Address by President Mr. C. H. Carlisle

A sound, economical and competitive banking system is essential to the state, to all the people who live within the state, to all business activities therein and to their relations with foreign states. Canada has such a banking system.

Notwithstanding the successful operation of our present banking system, and the prosperity of the country and its people under this system, one of our political parties — the Co-operative Commonwealth Federation — has declared that, if called upon to form the government, it will nationalize the Canadian Banks.

Before passing judgment, it is essential to have knowledge of the things to be judged. Therefore, we will review in an elementary way the major factors pertaining to the banks' shareholders and to the operations of our banks.

Shareholders' Dividends Not Excessive in Relation to Capital Employed

It is difficult for those not trained in accountancy to understand a balance sheet. The purpose of a balance sheet is to set forth an accurate statement of worth and current year's operations. There may appear items in a statement that, while accurate, may be misinterpreted due to lack of knowledge of all the factors composing the statement; for instance, the rate paid on bank stock. Your Bank pays a dividend of 10% on the par value of its shares. This rate, to many, may appear excessive as compared with rates paid on commercial investments and government securities. The 10% which you as a shareholder receive on the par value of your shares is only equivalent to 3.87% on your total investment, or 4% on the current market value of your shares.

The shareholders have contributed much to the financial soundness of the Bank. Out of the $12,900,000 paid for their shares, $5,900,000 has been transferred to reserve and, since the inception of the Bank in 1871, out of yearly earnings additional amounts have been transferred until the Reserve Fund now stands at $10,000,000. At all times adequate amounts have been set aside to provide for credit losses.

With a 3.87% return on the shareholders' total investment, can anyone fairly or justly claim that the shareholder has been receiving unduly high and unjust returns on his investment?

Bank Shares Sound Investment

Although the dividends which you receive are relative to those paid on commercial stocks and government securities, you have in your bank stock an investment that is sound. The safety of your investment is paramount, and especially at this time when the world's affairs are in a chaotic condition. In seventy-eight years' operation this Bank has provided you, as it does today, with that safety. The Dominion Bank has withstood every financial depression. It has made no demands whatsoever upon its shareholders. Its shares today have a greater security than at any previous time. In future that security must be maintained not only for the benefit of the shareholders, but also for the benefit of all who deal with the Bank.

Legislation Regulates Banking

Legislation governing chartered banks is more comprehensive and exacting than that governing commercial companies. The Bank Act in part provides for inspection of the banks by the Inspector-General of Banks, the submitting to the Government of monthly detailed statements of the banks' operations, the auditing of the banks' affairs by two auditors, appointed by the shareholders at each annual general meeting. In addition, each bank has its own supervisors who maintain a continuing audit on all the branch operations of the bank. Therefore, the Government has adequate information pertaining to the transactions of each and all of the banks. This procedure does not conflict with the ownership nor with the operations of the banks.

An Unsurpassed Banking System

The functions of the Bank of Canada are primarily to regulate credit and currency, to promote the economic and financial welfare of the Dominion of Canada, and to transact business—both national and international—on behalf of the Government of Canada, but it is in no way a trading bank. Therefore, its operations do not conflict with nor duplicate the operations of the chartered banks. The Bank of Canada and the chartered banks or trading banks give Canada a banking system surpassed by that of no other country.

The chartered banks are owned and controlled by their shareholders. Bank stocks are widely distributed. The largest group of people holding Dominion Bank shares are those who hold, from one to fifty shares, and constitute 34% of the total number of shareholders.

Freedom vs. Dictatorship

Bank directors are carefully chosen from various professions and occupations and from different sections of the country. Therefore, the banks have the necessary information to enable them to give the maximum service to the people in all sections of our country. This is evidently a more efficient procedure than could possibly exist under Government ownership, where a few directors, appointed by the Government, would have control. The chartered banks are under no political direction, neither are they responsible to any political party. The directorate of a Government owned bank may change with a change of Government; that would be most disconcerting. In countries where Government ownership exists, political influence exists. Could we anticipate that Government owned banks would be an exception? Government owned banks deprive individuals as well as incorporated organizations of the right to invest in bank stocks. Government ownership of banks provides only one source for your banking requirements; such a bank is absolute as to the terms, conditions and amounts that you may borrow or the service that you may receive, whereas at present you have the right of dealing with ten competitive banks. One is freedom of banking; the other is dictatorship of banking.

Branch Banking Essential

Canada is a large country. Compared with the United States it is 20% larger in area and 89% smaller in population. Therefore, need for branch banks in the United States is very limited, while in Canada branch banks are essential if we are to provide our people with an adequate banking service. Canadian banks also maintain a national and international service.

During and since the war the chartered banks have given every support to our Government, sometimes without remuneration. The banks have been and are large purchasers of Dominion Government securities, their holdings reaching a maximum in November, 1946, of $3,609,000,000—yield rates have ranged as low as .36%.

Higher Costs of Banking

The banks have not been free from the high costs of operations. Notwithstanding these increased costs, the average rates charged to the customers of the Bank have not been increased during a period of nine years following the beginning of the last war. This, in part, has been made possible by increased volume of business and rapid turnover. If high costs continue or further increases take place, it will be necessary to increase operational charges.

It is of interest to note the percentage of net profit earned on the total funds employed by the bank as reflected by the statement now under review is only 3/10ths of 1%.

The foregoing is a brief statement of Canadian banking operations.

Maximum Service Provided

I believe that the people of Canada, who have knowledge of our banking system, will appreciate its soundness, its flexibility, the safeguards surrounding its every transaction, its greater freedom of choice—a system that provides the maximum service.

I also believe that the Canadian people would not choose to discard our present banking system for that of a state monopoly.

You, who have the right of franchise, will make the decision.

THE DOMINION BANK

Condensed Statement as at 30th October, 1948

ASSETS

Cash on Hand and in Banks, including Bank of Canada		$ 68,053,856
Deposit with Minister of Finance		35,363
Government and Other Securities		162,335,441
Call Loans		10,858,457
Total Quick Assets		$241,283,117
Commercial Loans and Discounts		136,034,805
Bank Premises		5,803,570
Liabilities of Customers under Letters of Credit, Acceptances and Sundry Other Assets		10,356,295
		$393,477,787

LIABILITIES

Deposits		$358,501,553
Deposits by other Banks		6,055,390
Notes in Circulation		604,484
Letters of Credit, Acceptances and Sundry Other Liabilities		10,261,850
Total Liabilities to the Public		$375,423,277
Capital Paid Up	$ 7,000,000	
Reserve Fund	10,000,000	
Undivided Profits	1,054,510	18,054,510
		$393,477,787

PROFIT AND LOSS ACCOUNT

Profits for the year ended 30th October, 1948, after making appropriations to Contingency Reserves, out of which full provision for bad and doubtful debts has been made	$2,319,434
Provision for depreciation of Bank Premises	247,337
Provision for Dominion and Provincial Taxes	950,000
Dividends at the rate of ten per cent per annum	700,000
Amount Carried Forward	422,097
Balance of Profit and Loss Account, 31st October, 1947	632,413
Balance of Profit and Loss Account, 30th October, 1948	1,054,510

C. H. CARLISLE, *President* ROBERT RAE, *General Manager*

The Dominion Bank

ESTABLISHED 1871

Expansion Work Progresses For Minn. & Ont. Paper Co.

Reflecting continuous operation and increased volume materially aided by plant modernization and additions, Minnesota & Ontario Paper Co. has maintained an enviable record of progress and expansion during the past year, the company states.

Net sales for the first nine months ended Sept. 30, 1948, were $39,546,373, up 10.1% from the same 1947 period ($35,916,919).

The program of modernization and improvement of existing facilities and construction of new facilities, initiated in 1945 and now nearing completion, is now estimated to cost over $12 millions. A substantial part of this expenditure is going into the construction and equipping of additional plant units as part of a broad program to upgrade Mando products for manufacture of high-grade papers, President Donald D. Davis states.

With two big pulp and paper mills situated opposite each other on Rainy River, one at International Falls, Minn., and the other at Fort Frances, Ont., Mando was faced with the problem of waste disposal and stream pollution. Consequently over $500,000 was set aside to install waste recovery and disposal equipment.

Tests by company engineers show that approximately 50% of the bark in the form of fine fibres pass through the screening system into the river polluting it. The engineers devised a new system to solve this problem. It calls for a recirculation of water that is used in the woodroom and installation of special fine mesh screens to remove these bark fines. This, coupled with the saveall unit installed for the recovery of pulp fibres from the white water coming from the paper machines, will result in the recovery of substantially 100% of all wood fibres, the company states. To dispose of the bark and wood fibres resulting from these additions, the company has purchased a screw bark press to reduce the moisture content. It will burn this fibre in a special furnace specifically ordered to service the disposal system.

Details of the program during the past year are summed up as follows:

International Falls Mill — A water filtration plant with an immediate capacity for 15 million gallons per day, and provision for expansion to 30 million gallons, has recently been completed. This unit, utilizing the Permutit Spaulding Precipitation Coagulation System, followed by sand and filters, will provide the necessary quantity of pure water for production of high-quality paper, it is stated.

A new 150,000-lb. steam boiler has gone into operation which, teamed with a similar steam generator of 85,000-lb.-per-hour capacity, installed in 1942, and five Heinie boilers, is expected to meet the steam requirements of the mill for some time. With a guaranteed efficiency of over 85%, the new unit will produce 150,000 lb. of steam per hour at a pressure of 450 lb. per square inch, it is stated.

Its output will add to other boiler capacity to supply the two new 7,500 kw. turbo generators purchased to meet the increasing demand for electrical energy. The turbines are of the double extracting, mixed pressure, condensing type to ensure the most economical use of steam and operate at a steam pressure of 450 lb. and at a normal speed of 3,600 rpm. With these two units installed the generating capacity of the turbine room at Falls plant totals 23,000 kw., the equivalent of more than 30,000 hp.

To increase the productive capacity, four new barking drums, each 12 ft. by 45 ft., have recently been installed replacing smaller units. It is estimated this will increase the barking capacity by 50%.

Wood handling facilities have been modernized with the addition of two new Diesel locomotive cranes.

A new 7-ton kraft digester has been installed supplementing the two existing digesters. This means a 25% increase in kraft pulping capacity and also adds considerable more flexibility in maintenance and repair work.

In line with the program of upgrading of paper products, groundwood and kraft bleaching facilities and equipment are currently being installed. The kraft bleachery will be a six-stage, 100-ton system. With the buildings to house these facilities almost complete and the major portion of the equipment on hand it is expected that bleaching facilities as well as the new water filtration system will be inaugurated soon, the company states.

The No. 4 paper machine will undergo considerable modernization. Two new presses, a new Fourdrinier, seven new driers, a new size press as well as a new stock preparation system will be installed.

Production of supercalendered paper, first commenced last fall, was stepped up when a 100-inch machine was placed in operation last month.

The pocket grinders have been replaced with five Great Northern grinders, greatly increasing the capacity of the grinder room.

Fort Frances Mill — Required extensions to No. 3 groundwood mill were accomplished recently. Construction was undertaken to house eight additional pocket grinders which provide the number of stones necessary to produce the quality and quantity of high-grade pulp desired.

A new boiler unit capable of producing 85,000 lb. of steam per hour has been installed to replace units of smaller capacity and to increase the steam supply. The unit is automatically controlled, is stoker-fired and is complete with water walls, superheat and forced and induced draft equipment.

No. 6 paper machine is to be completely modernized, converting it from the manufacture of newsprint to that of higher-grade groundwood printing papers. This will include a new slice, improvements to the Fourdrinier and the installation of a suction couch. Six additional paper driers are being added; a new Pope-type reel and Cameron winder are being installed at the dry end and an electric drive is substituted for the former steam engine drive.

Heat recovery units will be installed this winter for two of the paper machines at Fort Frances. Under present operating conditions the excess steam coming from the drier passes directly out of the building resulting in a loss of heating energy. By the use of the new unit the heat escaping from the paper machine driers will be forced through heat exchangers which function to raise the temperature of incoming cold air some 50 to 60 deg. This will improve working conditions and result in economy in steam producing for mill heating purposes.

Considerable additions and improvements in the mixing and color rooms were completed and the groundwood screening and deckering facilities were improved with new tile lining and agitators emplaced and the improvement of the fine screening system.

To provide further flexibility in logging operations a De Havilland "Beaver" type aircraft has been acquired to replace the Republic "Sea Bee" which has been in service since July, 1947.

Kenora Mill—Additional wood preparation facilities were installed which increase the barking capacity of the wood room.

Calender stack drives for the two paper machines were both replaced, increasing the efficiency. New briner economizer units were installed on No. 8 machine and the first press was replaced and modernized.

The centralization of production control activities in the Kenora mill was completed early this spring with the arrival of long-awaited laboratory furniture. The installation of this equipment was the final step in the construction and equipping of a fine new laboratory at the mill, the company states.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DRYDEN PAPER CO. net profit for the year ended Sept. 30, 1948 was up 72.3%. During the year production cost increased materially due to rising costs of materials purchased, and to labor adjustments. The bag plant has been moved from Dryden and consolidated with that of the Woods Manufacturing Co. at Winnipeg, under the name Woods-Dryden Paper Bags Ltd. The latter company has been in production for only five months of the company's fiscal year and consequently, no profits are yet available.

During the year, $955,000 was expended on new construction. A considerable portion of this consists of items in connection with the new No. 4 paper machine, which came into production last January, and which is now producing finished paper at the rate of 60 tons a day. Sales requirements have increased since its inception, making it advisable to increase capacity of this machine. The wood preparing mill has been completely replaced, as it has become obsolete. A power line 62 miles in length, has been installed to connect company's mills with Ontario Hydro; and the penstock leading to No. 1 power plant has been renewed at cost of $100,000.

INCOME ACCOUNT

Years Ended Sept. 30:	1948	1947
Net earnings	$1,675,927	$1,219,081
Less: Depr. & depl.	406,097	331,047
Bank loan	32,282	24,435
Bond interest	60,000	80,000
Prov. for taxes	495,000	413,000
Add: Subs. prof.	......	6,104
Net profit	682,348	396,213
Less: Divds.	208,400	90,000
Surplus for year	474,148	306,213
Times Bond Interest Earned:		
Before depr., etc.	27.39	19.91
After depr., etc.	20.63	14.39
Earnings per Share and Dividend Record:		
Common	$3.75	$2.64
Paid	1.00+0.20	0.60

CONDENSED BALANCE SHEET

As at Sept. 30:	1948	1947
Cash	$74,136	$7,730
Accts., etc., rec.	389,567	314,685
Rec. re sub.	......	75,572
Co's bonds	38,500	......
Investments†	2,101	2,102
Inventories	1,867,175	1,460,480
Total curr. assets	2,371,479	2,060,589
Prep. exp., etc.‡	23,495	24,927
Ref. EPT	21,454	29,950
Invest. assoc. co.	99,990	......
Fixed assets*▪	6,530,401	6,100,950
Total assets	9,246,819	8,216,416
Bank loan	1,000	157,000
Accts., taxes, etc.	737,598	613,343
S. F. pay.	75,000	......
Total curr. liab.	813,598	770,343
Spec. bank loan	400,000	690,000
Funded debt	1,425,000	1,500,000
Capital stock	5,208,415	4,420,415
Capital surplus	194,300	194,300
Earned surplus▴	1,203,506	731,358
†Market value	7,650	8,050
*After deprec. of	2,081,772	1,763,852
▪After deplet. of	389,308	350,318
▴Incl. ref. EPT	21,454	29,950
‡Incl. in curr. assets in co's report.		
Working capital	1,757,881	1,290,246

STERLING TRUSTS CORP. has increased the rate of dividend paid on its shares, with the declaration of a dividend of 1½% payable Jan. 3, 1949, to shareholders on record Dec. 15, 1948. This results in an annual rate of 6% instead of the 5% heretofore paid.

WESTERN SAVINGS
& LOAN ASSOCIATION
HEAD OFFICE WINNIPEG
BRANCH OFFICES
Agency Building, Edmonton, Alta.
221 A-8th Ave., W., Calgary, Alta.
McCallum-Hill Building, Regina, Sask.
407 Avenue Building, Saskatoon, Sask.
1 Royal Bank Building, Brandon, Man.

Bank Executives Discuss Outlook Inflation, Nationalization Threat

Chartered bank executives at the annual meetings of their institutions this week, discussed the general financial and political outlook at home and abroad. While Canada herself cannot control the world situation she can help meet all eventualities by setting her own house in order, it was indicated. Need of a sound knowledge of banking before passing judgment on it was emphasized. Increasing bank costs point to increased charges for bank services, it was declared. Here are extracts from the presidents' addresses at the annual meetings of the Dominion Bank and the Bank of Montreal.

C. H. CARLISLE, president, The Dominion Bank.

A sound, economical and competitive banking system is essential to the state, to all the people who live within the state, to all business activities therein and to their relations with foreign states. Canada has such a banking system.

Notwithstanding the successful operation of our present banking system, and the prosperity of the country and its people under this system, one of our political parties — the Co-operative Commonwealth Federation — has declared that, if called upon to form the government, it will nationalize the Canadian Banks.

Before passing judgment, it is essential to have knowledge of the things to be judged.

Controlled by Shareholders

The chartered banks are owned and controlled by their shareholders. Bank stocks are widely distributed. The largest group of people holding Dominion Bank shares are those who hold, from one to 50 shares, and constitute 34% of the total number of shareholders.

Bank directors are carefully chosen from various professions and occupations and from different sections of the country. Therefore the banks have the necessary information to enable them to give the maximum service to the people in all sections of our country. This is evidently a more efficient procedure than could possibly exist under government ownership, where a few directors, appointed by the Government, would have control. The chartered banks are under no political direction, neither are they responsible to any political party. In countries where government ownership exists, political influence exists. Could we anticipate the government-owned banks would be an exception? Government-owned banks deprive individuals as well as incorporated organizations of the right to invest in bank stocks. Government ownership of banks provides only one source for your banking requirements; such a bank is absolute as to the terms, conditions and amounts that you may borrow or the service that you may receive, whereas at present you have the right of dealing with 10 competitive banks. One is freedom of banking; the other is dictatorship of banking.

Meaning of Balance Sheet

It is difficult for those not trained in accountancy to understand a balance sheet. The purpose of a balance sheet is to set forth an accurate statement of worth and current year's operations. There may appear items in a statement that, while accurate, may be misinterpreted due to lack of knowledge of all the factors composing the statement; for instance, the rate paid on bank stock. Your Bank pays a dividend of 10% on the par value of its shares. This rate, to many, may appear excessive as compared with rates paid on commercial investments and government securities. The 10% which you as a shareholder receive on the par value of your shares is only equivalent to 3.87% on your total investment, or 4% on the current market value of your shares.

With a 3.87% return on the shareholders' total investment, can anyone fairly or justly claim that the shareholder has been receiving unduly high and unjust returns on his investment?

Although the dividends which you receive are relative to those paid on commercial stocks and government securities, you have in your bank stock an investment that is sound. The safety of your investment is paramount, and especially at this time when the world's affairs are in a chaotic condition. In 78 years' operation this Bank has provided you, as it does today, with that safety. In future that security must be maintained not only for the benefit of the shareholders, but also for the benefit of all who deal with the Bank.

Percentage of Earnings

It is of interest to note the percentage of net profit earned on the total funds employed by the bank as reflected by the statement now under review is only 3/10ths of 1%.

• • •

B. C. GARDNER, president, The Bank of Montreal:

There is hardly a statement that can be made today with respect to the Canadian economic scene that is not dependent on or modified by whatever assumptions we make regarding prospects for world peace, the restoration of Europe and the course of developments in the United States of America.

Nevertheless, it is not possible, either in the realm of business or in national affairs to stand aside and await the unfolding of events. One must do, to the best of one's ability, the tasks that lie at hand.

While the statistical record of 1948 will be replete with peak dollar aggregates, it is becoming increasingly necessary to look behind the figures to determine what they really mean. For example, we are beginning to see, with greater frequency, rising sales figures which do not represent a real increase in the volume of goods moving into buyers' hands. We see profits which are influenced precariously by rising inventory values and by depreciation reserves which, while all the law will allow, are insufficient to provide adequate replacement of plant at existing costs. We see original estimates of the cost of new capital expansion being exceeded with monotonous regularity. On a broader front, there are many evidences of the strains, frictions and hardships that are the inevitable accompaniment of a period in which the standard of monetary value has been rapidly changing.

Little Unemployment

With unemployment at less than 2% of the working force we are about as close to the limits of full employment in Canada as is ever practically possible and we have been in that situation for some time.

Certain questions arise. Does a condition of virtually full employment mean that the limits of economic advance have been reached? Is there any way in which the Canadian people can achieve further increases in material well-being? Can we regain the benefits of a stable price level? Is there no corrective to the present situation other than the completion of the cycle of boom and slump? He would be bold indeed who would claim to have all the answers. And no one familiar with the circumstances of Canadian economic life could honestly argue that it is possible to create an oasis of prosperity within Canada with continued disequilibrium in the world outside. In those forces under our own control, however, there are still some important elements of potential progress.

To look at longer-term considerations first, natural increase of population and a wise and energetic immigration policy are, of course, factors on the side of increased aggregate productivity. But further major gains in per capita output will depend, in the final analysis, on our success in speeding up the rate of technological advance.

Capital the Product of Thrift

Capital is the product of thrift. . . . It cannot come into existence unless the community in some way or another saves something out of its current production.

This has a very practical significance at the present time. For two years now we have been experiencing in Canada a boom in capital expenditures for new plant and equipment of all kinds. . . . Now, from the standpoint of my remarks concerning the necessity of steady technical progress, this capital program may be regarded as a significant and encouraging development. But there is at the same time a good deal of evidence to suggest that the present substantial diversion of resources into capital expansion has not been matched by an offsetting increase in saving in its various forms. The result of course has been conflicting and competing monetary demand for both capital and consumer goods and a strong impetus to the upward spiral of prices and costs. . . .

Interest Rates

In the past, the rate of interest has been a powerful force tending to equate the demand for and the supply of capital. At a time when the demand for capital was straining the resources of the community, the interest rate would gradually rise, performing the twofold task of stimulating saving and retarding the rate of capital outlay . . . . I am not arguing for the return of dear money, but I do suggest that we have reached the point where there would be definite advantages in introducing further flexibility into our interest rate structure, particularly in short-term rates.

To pursue the matter one step further, I think it is desirable that a greater proportion of corporate financing should be done in equity form rather than through the issue of additional debt. At a time of rapidly rising prices, costs of production inevitably tend to become more rigid. And in many instances fixed costs have been further increased by carrying charges on a burden of indebtedness out of proper proportion to the investment at risk in the business in the form of equity capital. . . .

KIRKLAND GOLDEN GATE MINES has received payment for Nov. 29 underwriting of $6,500, comprising 100,000 shares under agreement with Junior Golds Securities Corp. Issued capital—4,293,431 shares.

DUN & BRADSTREET of CANADA, Limited
The Mercantile Agency
ESTABLISHED 1841
20 Offices in the Dominion

Those who wish to invest in a young and growing country, whether by active participation in establishing industries there or by purchase of securities, may obtain a free copy of this booklet from their bankers or direct from:—
BANK OF NEW SOUTH WALES
British & Foreign Department, Sydney, Australia
NA4082B

MANAGEMENT SERVICES
in
Time, Motion and Methods Study
Incentive Plans and Job Evaluation
Foremen and Supervisory Training
Personnel Selection, Placement and Training
Cost, Production, and Budgetary Controls
Sales, Distribution and Markets
Office Systems
Surveys of Operations
J. D. WOODS & GORDON Limited
15 Wellington St. W., Toronto, Canada
MANAGEMENT CONSULTANTS

How far ahead can you see?

Making business plans for even a few months ahead is a challenge to all your experience, judgment and vision.

Then what of the long-range decisions that should be made regarding the future welfare of your family and estate? Are you leaving those to chance?

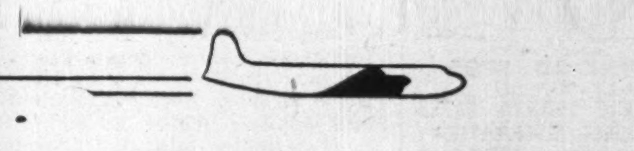
Ordinary prudence dictates the need of periodic reviews of your estate and of your plans for its disposal with the aid of members of our staff who are experienced and expert in such matters.

Come in and talk over your estate plans and problems with us. No obligation is involved.

Capital, Reserves and Surplus in excess of $7,500,000

MONTREAL TRUST Company
511 Place d'Armes, Montreal
HALIFAX TORONTO WINNIPEG EDMONTON
CALGARY VANCOUVER VICTORIA CHARLOTTETOWN
ST. JOHN'S, NFLD. LONDON, ENG. NASSAU, B.W.I.

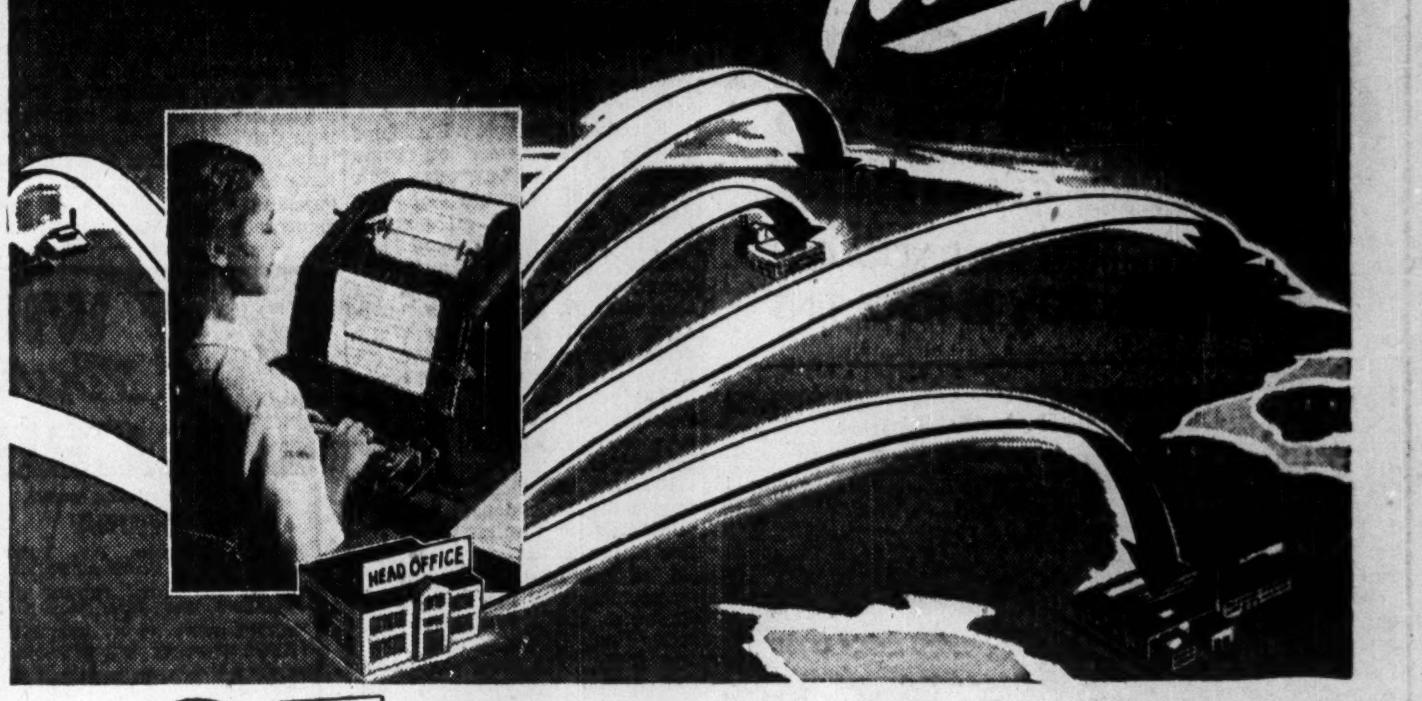
FIDELITY Insurance Company of Canada
Consult your agent or broker as you would your doctor or lawyer
TORONTO



The Canadair Four . . . has been chosen by Canadian Pacific Air Lines to develop its passenger services in the vast North and South Pacific. British powered and Canadian built, this Empire Aircraft has the flexibility essential to the diverse airline operations of the great Canadian Pacific System.

Canadair Limited
MONTREAL, CANADA

Avoid Business Bottlenecks use P.W. Teletype



LINK YOUR WIDE-SPREAD BUSINESS OPERATIONS

More and more Canadian businesses are turning to P.W. Teletype because it permits accurate, immediate transmission of correspondence, messages and orders direct between Head Office, Branch, Factory or Warehouse. There are no delays . . . and oral orders are eliminated. To give you reliable nationwide service the combined facilities of Canadian National and Canadian Pacific Telegraphs are at your command. You'd be surprised at the economy.

P.W. Teletype machines are only slightly larger than an office typewriter. Any typist can operate them.

Ask your local telegraph office for full details.

PUT IT IN WRITING BY Teletype
Speedy
Accurate
Versatile
Economical

CANADIAN NATIONAL
PRIVATE WIRE Teletype SERVICE
CANADIAN PACIFIC

ALL AIRLINES WILL ANSWER
when you
PHONE AD. 3266
(DAY OR NIGHT)
FOR PLANE TICKETS, FARES, SCHEDULES, INFORMATION
We are official booking agents for all airlines. TCA, AMERICAN, BOAC, PAN-AMERICAN, AIR-FRANCE, COLONIAL, UNITED, TWA, etc. All bookings at official rates only. Air bookings to all Canada, U.S., Europe and world-wide destinations. Special low return fares now in effect to Europe.
Our capable air staff will give you prompt and efficient service.
Union Travel Service
9a QUEEN E. (at Yonge) AD. 3266
Close 5:30 p.m. daily, 12.30 p.m. Sat.

Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

Prince Edward Is.

Good Farm Year: The year 1948 was rounding out as a better one than its predecessor for Island farmers. Deputy Agriculture Minister Walter R. Shaw reported butter production 70% ahead of 1947 (due in part to excellent pasturage conditions); cheese production up 12%, with demand far outrunning supply; and the market for dairy cattle keen. Potato prices were dropping—65 cents for tablestock, 80 cents for seed; but with increased cold storage space available, growers were in a better position to hold off for more favorable prices.

Output of poultry products had started its seasonal decline, although quality kept up and demand was still strong. W. A. Brown, assistant director of Dominion Poultry Services, foresaw new markets for Island poultry products in Newfoundland, Bermuda, the West Indies and South America; but suggested that peak production should be switched from September to January, to take advantage of these possibilities. He also urged Island producers to develop the sale of ready-cut poultry, cellophane-wrapped.

Wider Newfoundland Market: The province, already anticipated that its 1948 trade volume with Newfoundland would exceed 1947's $3 millions—despite a recent curtailment of buying, caused by merchants' fears that they might be stocked with duty-paid goods when Newfoundland joins Canada. The Newfoundland railway strike was not affecting shipments of potatoes and other produce as seriously as had been feared, since the biggest volume goes direct by boat, to points not served by rail. While Prince Edward Island now buys virtually nothing from Newfoundland, Trade Commissioner W. E. Agnew foresees a possible market here for lime, lumber and fish products.

• • •

Nova Scotia

Vote on Monday: Voters of Digby-Annapolis-Kings were to go to the polls next Monday (Dec. 13) in the first of four federal by-elections scheduled for this month; to name a successor to Rt. Hon. J. L. Ilsley, former Finance Minister and Justice Minister. Theoretically, victory should be in the bag for John D. McKenzie, Liberal; but this week, in view of recent upsets, all three parties were holding their breath. Few observers conceded a chance of success to Lloyd R. Shaw, CCF; but some believed he might cut into Liberal strength, and thereby elect George Nowlan, Progressive Conservative.

Digby Vote Next: Meanwhile, another provincial by-election was already shaping up in Digby, following appointment of Hon. Joseph Willie Comeau, 73, to the Senate. Comeau, minister without portfolio in the Macdonald cabinet, and first elected to the Legislature 41 years ago, will make history by being the only member of the former Nova Scotia "Senate" (the Legislative Council, abolished by the Rhodes Government in 1928) to sit in the Upper House at Ottawa.

• • •

New Brunswick

• • •

Need Earlier Apples: Earlier varieties of apples held the answer to the problem of countering competition from Nova Scotia and British Columbia, President Robert S. Graham told New Brunswick Fruit Growers' Association. At present, he pointed out, more than two thirds of the province's crop is of late-ripening McIntoshes; with the result that earlier fruit from other parts of Canada, invades the local market.

Meters Mean Money: Parking meters were paying off in Saint John, Police Chief J. J. Oakes reported. In the first two months of operation, 400 meters had rung up a total of $3,787, while fines for violation of parking regulations involving meters had totaled $560. On the present 50-50 basis, officials estimated that cost of the meters ($31,897) would be paid off in two years and eight months; after which, the system should net the city $22,600 revenue yearly.

• • •

Quebec

Speed Late Shipping: Last ships of the season were en route down the St. Lawrence this week; and, because of the urgency of getting all possible food cargoes to England and Europe, lighthouses along the shore, and lighted buoys in the ship channel, remained in operation later than usual. While grain carriers raced for Great Lakes ports with their last cargo of the year, Montreal harbor officials were preparing to house a record fleet of canal ships for the winter.

Promote Handicraft: A one-time political opponent of Premier Maurice Duplessis took office last week as special technical adviser to the Government on promotion of new interest in Quebec's traditional handicraft arts. Paul Gouin, former Liberal MPP, who later organized the Action Liberale Nationale movement, was described by M. Duplessis as "an expert on Quebec handicrafts, well qualified to advise on methods of encouraging the fullest modern use of the rural arts of the past."

Teachers Stand Firm: Threats of pension forfeiture (The Financial Post, Nov. 20) will not deter Montreal Catholic teachers from striking if they feel it necessary, President Leo Guindon of the Alliance of Catholic Teachers answered Premier Duplessis: "We are more and more under the impression that our cause is good, since the chief of the Government, finds only through repeated threats, the means of forcing teachers to accept salaries which do not do them justice." Guindon stressed, however, that no strike decision had yet been taken.

• • •

Ontario

Civic Contests Over: Municipal elections campaigns ended at the polls in most Ontario cities this week (Dec. 6), although a few, including Toronto, would not vote until January. Brantford, Galt, Hamilton, North Bay, Peterboro, Sault Ste. Marie, were among cities in which the mayoralty went by acclamation. In Teck township, the province's only woman reeve, Mrs. Ann Shipley, also was unopposed. The town of Tilbury, in Kent county, returned its entire council without a contest. Ottawa's perennial mayor, Stanley Lewis, retired owing to ill-health, after 12 consecutive terms. In Fort William, colorful Charles Winnans Cox unsuccessfully contested the mayoralty while still mayor of the adjoining city of Port Arthur (which does not vote until next month).

Parry Sound Votes: A provincial by-election was shaping up later in the week (Dec. 9) in Parry Sound, to name a successor to Charles W. Cragg, who died less than three months after being elected last June. The riding had gone CCF in 1943, Liberal in 1945, Progressive Conservative in 1948. In the field this week were Dr. "Mickey" Armstrong, Liberal MPP from 1934 to 1943, and 1945 to 1948; Alastair Johnston, Progressive Conservative; Roy Smith, CCF, MPP 1943-45. A second by-election, in Cochrane North, has been deferred until June for more favorable weather.

MPP's and Ex's Meet: Meanwhile, Premier Tom Kennedy held his first party caucus since taking office in mid-October; set a precedent by inviting defeated Progressive Conservative candidates in last June's election, as well as victors to attend. The gathering heard more than a few postmortems over the campaign of six months ago; also discussed plans for a possible January session of the House. (A provincial convention is scheduled for the end of April, to name a permanent leader; Premier Kennedy, now 70, has indicated that he does not plan to retain office.)

• • •

Manitoba

Speed New Power Plant: The province, Premier D. L. Campbell announced, plans an immediate start on a $15 million-$20 million dam and power plant at Pine Falls, some 70 miles northeast of Winnipeg, on the Winnipeg River; potential capacity 38,000 horsepower within three years, 114,000 h.p. within four. Earlier, Dr. T. H. Hogg, engineering consultant (former chairman and chief engineer of the Ontario Hydro Commission) had recommended deferring actual development until an overall reorganization of the hydro-electric industry in the province had been effected. Now, however, power demand was increasing more sharply than when the Hogg report was being drafted, and its author had now advised "all steps necessary to ensure earliest possible delivery of new supplies."

The dam at the Pine Falls plant will have a 37-foot head, larger than Winnipeg City's two plants, but smaller than those of the Winnipeg Electric Co. At peak of construction, 500 to 600 men will be employed. The projected six Pine Falls units, in conjunction with others now being expanded elsewhere, will have total installed capacity of approximately 600,000 hp.

Must Curb Spending: Municipalities of the province, facing "the most serious time we have ever known," must tighten their belts or have it done for them, they were warned at their annual convention by R. Murray Fisher, Deputy Municipal Commissioner: "If you municipal men don't face up to your problems, someone else is going to have to do it for you; that is the quickest way I know to let democratic privileges slip from your hands." Charging that "buck-passing" among municipalities had resulted in piling up $3 millions in liabilities in the last three years, Fisher stressed:

"There isn't enough money in Manitoba to gravel every municipal road, drain every slough, raise every pension to $50 a month or raise the ante on all provincial social services. We've got to sit down and consider what are the most essential things."

His department would have to "get tough," he said, particularly in the matter of roadbuilding expenditures, where it had been lenient hitherto. There could be no more allowing road expenditures to exceed their budgets by as much as $40,000, as had happened in one case this year.

• • •

Saskatchewan

Split on School Unit: First vote under the Larger School Board Unit law, did not reflect the "unanimous" approval claimed by the Socialist Government for the system. Lloydminster area rejected the plan, 985-936; Willowbunch endorsed it 1,032-824. The measure, one of the first enacted by the CCF regime, aims at converting some 5,000 rural and village school districts into about 60 larger units. Forty-five such units have already been established without taking a vote, and Education Minister W. S. Lloyd hinted that the Lloydminster verdict would not slow up the program elsewhere.

New Highs for Co-ops: Co-operatives in the province set new records during 1947-48, Co-operatives Minister L. F. McIntosh announced: number of organizations 956 (up 26 from 1946-47); membership, 504,257 (up 26,851); business volume, $228,318,040 (up $8,252,487); combined assets, $72,384,849 (up $5,439,738); fixed assets, $22,689,275 (up $5,162,069). There were 523 purchasing associations; 195 credit unions; 173 service associations, including halls, theatres and rinks; 37 marketing organizations for grain and seed, livestock, dairy and poultry products, oil and meal cake and honey; 28 community pastures, co-operative farms and fur co-ops.

• • •

Alberta

Surplus Lower: Midway through the 1948-49 fiscal year, the province had a cash surplus of $1,586,014—down $2,187,341 from a year before—Provincial Auditor C. A. Huckvale reported. Oil and gas royalties and rental fees had risen $1,648,305; but net payments in capital account had increased more than $3 millions, to $5,863,461.

Cash receipts from ordinary sources amounted to $29,905,998, cash payments to $22,066,569, leaving a balance of $7,839,429; which was reduced to $7,449,475 after $389,954 for debt retirement was provided. Fuel oil or gasoline tax yielded $4,220,013, a gain of $276,795, liquor profits were $4,915,744, up $477,894; motor vehicle licenses $4,512,330, up $606,674; treasury branch earnings $177,565, up $3,659.

Major increases in payments included $1,078,149 in grants to schools; $684,730 more for the University of Alberta; $236,577 additional for old age pensioners' hospital and medical services.

Hospitalization Vetoed: Where was Calgary to look now for hospital funds? Civic authorities pondered the question, after ratepayers rejected (7,054 to 4,564), the municipal hospitalization program, which the provincial Government had made a "must" before the city could receive $884,000 toward construction of its new general hospital (The Financial Post, Nov. 13). Ratepayers also vetoed three money bylaws; $1.2 millions for storm sewers, $500,000 for the transit system, $500,000 for paving (the two latter projects polled majorities, but not the necessary two-thirds). Nine counts of ballots were required, to choose three of the six aldermen elected.

• • •

British Columbia

By-Elections Split: The outcome of last week's by-elections might please everyone, or no one. The Coalition held South Okanagan, where Robert Browne-Clayton, 31, fruit farmer, defeated Bruce Woodsworth, 34, son of the late H. S. Woodsworth, founder of the CCF, 4,918-4,220. But the CCF recaptured Rossland-Trail (which it had lost in the 1945 general election) by a majority of approximately 300. This left party standing in the legislature: Coalition 35 (19 Liberals, 16 Progressive Conservatives); CCF 11, Independent Liberal, 1 Labor 1. When CCF campaigners branded the Coalition "a shotgun marriage," Finance Minister Herbert Anscomb retorted: "At least, it is better than living in political sin, as in the uncredited alliance between the CCF and the Labor-Progressives."

LOUVICOURT GOLDFIELD CORP. reports that east drift on the "C" ore zone has entered what appears to be another ore shoot. Consecutive rounds returned muck samples as follows: 30 tons averaging $1.07 across 6.5 ft.; 32 tons running $4.90 over 6.5 ft.; 29 tons averaging $7.70 over 6.5 ft; and 31 tons averaging $31.50 over 6.5 ft. Surface drilling beyond the heading is reported to have indicated several hundred feet of this favorable structure.

IN MONTREAL
Men of affairs naturally stop at the WINDSOR because of its reputation for dignified comfort, unobtrusive, courteous service and its convenient location—and because the WINDSOR is recognized as the proper place for business and social meetings.
THE Windsor
ON DOMINION SQUARE
J. ALDERIC RAYMOND, PRESIDENT

TWA - the fast, comfortable way - to
LOS ANGELES
SAN FRANCISCO
PHOENIX
KANSAS CITY
ST. LOUIS
CINCINNATI
PITTSBURGH
For reservations see your local travel agent.
TWA
TRANS WORLD AIRLINE
U.S.A. · EUROPE · AFRICA · ASIA

Buy a Speedbird EXCURSION TICKET
FLY B·O·A·C SPEEDBIRD
SAVE $156.80 (TO LONDON)
OTHER RETURN FARES FROM MONTREAL
Effective until March 31, 1949—30 day Return Limit

	EXCURSION FARES	SAVING
LONDON	$448.00	$156.80
GLASGOW	$418.70	$146.50
*PARIS	$474.60	$166.20
*ROME	$629.90	$153.10
KARACHI	$1318.50	$157.50
CALCUTTA	$1478.10	$141.90

Similar savings to other destinations.
*In association with British European Airways
Your travel agent is our local office. Information and reservations also at most airline or railway offices or at B.O.A.C. city offices in Montreal-Laurentien Hotel, Phone LA. 4212, Toronto, 11 King St. West, Phone AD. 4323.
B·O·A·C BRITISH OVERSEAS AIRWAYS CORPORATION
SPEEDBIRD SERVICE Over the Atlantic ... and Across the World

EXPORT "A"
FILTER TIP
CIGARETTES
20's in PACKAGES
50's in FLAT TINS

Ready to pitch camp, on the Bruce Peninsula

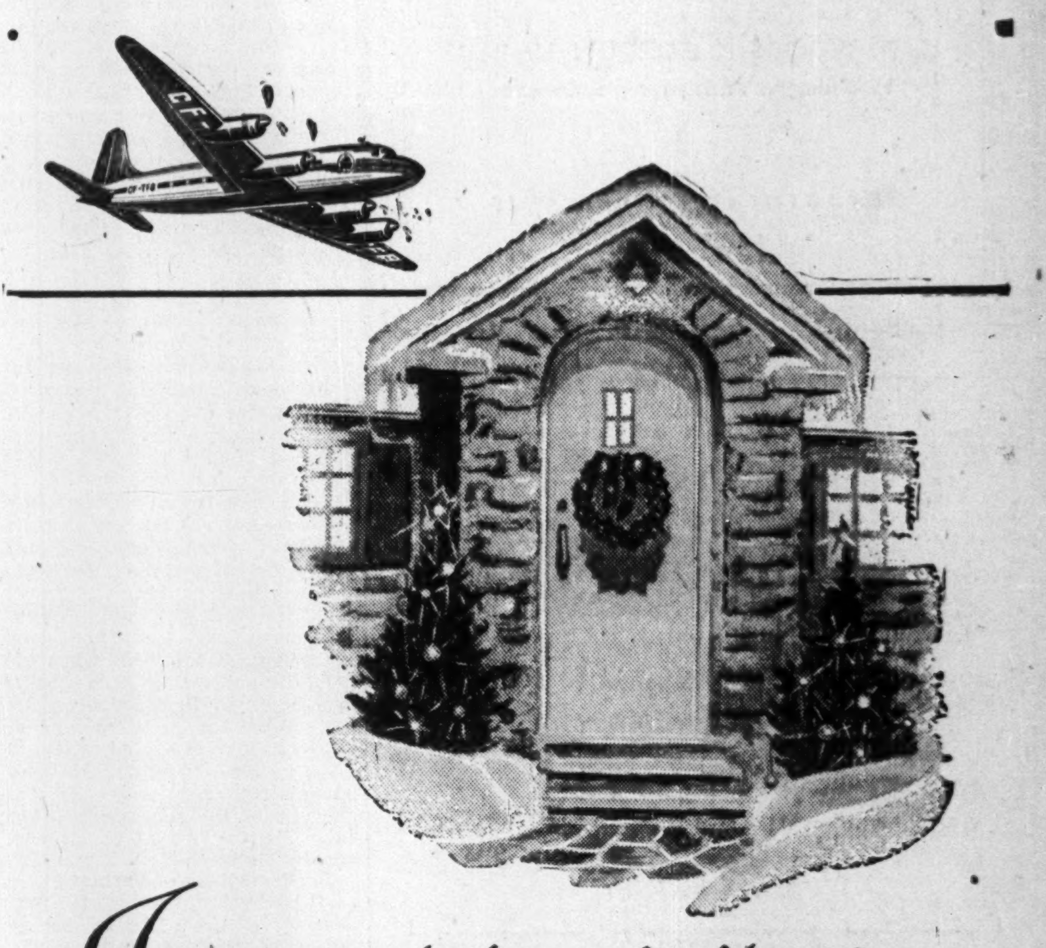
Plenty of Fun
ON THE BLUE WATER HIGHWAY
The Blue Water Highway is Number 21 starting just east of Sarnia. It parallels Lake Huron's shore, north 150 lovely miles to the Bruce Peninsula, Owen Sound and the Georgian Bay district. Every type of accommodation and vacation fun can be found on the way. There are resorts, cabins, hotels, camping grounds—you can rent a boat or take a cruise, swim at sandy beaches, fish the lake or inland streams—and enjoy the varied scenery. From Owen Sound take Highway 26 for Barrie—10 for Hamilton and 6 for Guelph. Write the Blue Water Highway Association, Sarnia, Ont., for holiday plan details.
In Ontario we have a holiday paradise . . . let's do all we can to encourage visitors from across the border. Published in support of the tourist business by John Labatt Limited.
Labatt's BREWERS SINCE 1832
LET'S MAKE THEM WANT TO COME BACK!

Enjoy THE COURTESY AND COMFORTS OF HOME AT THE Hotel NORTON-PALMER IN WINDSOR, ONT.
350 ROOMS 5 MINUTES FROM DETROIT
PRESTON D. NORTON
PRESIDENT AND MANAGING DIRECTOR

WINTER Tours and CRUISES
Payable in Canadian funds!
BERMUDA
*$100 up return. S.S. FORT TOWNSEND & FORT AMHERST.
*$125 up return. QUEEN OF BERMUDA. Feb. 12 & every Sat.
*$126 return, by air from N.Y.
*$162 return, by air from Toronto.
$216.30 7-day Bermuda tour, includes plane fare from Toronto and return by TCA, 15% tax, accommodation, breakfasts. Leave Toronto any Wednesday or Sunday.
Bermuda hotel reservations arranged
WEST INDIES SOUTH AMERICA
*$181.80 by air, Toronto to Nassau and return.
*$257.40 by air, Toronto to Kingston and return.
*$424.80 by air, Toronto to Trinidad and return.
*$240 up, MAURETANIA, 8 days, N.Y. to Nassau & Havana Jan. 5, 15, 26. Feb. 5, 15, 26. Mar. 8, 18, 29.
$335 up, MAURETANIA, 11 days, Xmas and New Year's cruise, Dec. 23, La Guaira, Curacao, Havana.
*387 up, C.N. ships, 18 dys, Hlfx. to Nassau & Kingston, Dec. 10, 27.
$425 up, CARONIA, 14 days, New York to La Guaira, Curacao, Panama Canal, Kingston, Havana, Feb. 12, 28, Mar. 17, Apr. 4.
*Add 15% Government Tax.
TRIPS AND TOURS
$192.56 ($49 U.S. funds), Mardi Gras, 9 days, Feb. 25, Toronto to New Orleans, Nashville, Biloxi, Natchez, Gulf Coast, extensive sightseeing.
$29.80 up, return from Toronto, New York tours. Leave any day.
ESCORTED TOURS TO EUROPE
"POPULAR"—40 Days $857.00
To England, Holland, Belgium, Switzerland and France, 13 days motoring, superior hotels. May 21; June 4, 22 and 25; July 7; Aug. 12.
"RIVIERA"—45 Days $975.00
Jan. 22 and Feb. 10. Personally conducted. QUEEN MARY both ways, to England, France and Italy 16 days French & Italian Rivieras), well-known hotels, extensive sightseeing, stopovers allowed.
"SCENIC"—52 Days $997.00
Visiting England, Holland, Belgium, Switzerland, Italy (including Naples), and France. 23 days motoring, superior hotels. Sailing May 25; June 22; July 20 and Aug. 17.
"IDEAL"—47 Days $1045.00
Visiting England, Belgium, Switzerland, Italy (including Naples), and France. 26 days motoring, superior hotels. Sailing May 5 and 20; July 28; Aug. 12 and 27.
"HIGHLIGHT"-53 Days $1185.00
Visiting England, Holland, Belgium, Luxembourg, Germany (including Berchtesgaden), Austria, Italy (including Naples, Capri and Amalfi Drive), the Dolomites, and France, superior hotels. Sailing June 4 and 22; July 7; Aug. 5.
"VIKING"—50 Days $1197.00
June 15 to England, Norway, Sweden, Denmark, Holland, Belgium, Switzerland and France, extensive motoring, superior hotels.
ASK FOR BULLETINS AND DESCRIPTIVE LITERATURE
Independent Tours Arranged
Steamships, Airlines, Bus Lines, Railways, Hotels, Resorts, Tours.
Union Travel Service
9a QUEEN E. (at Yonge) AD. 3266
Close 5:30 p.m. daily, 12.30 p.m. Sat.

FOR YOUR WINTER CROSSINGS
GO WHITE EMPRESS TO EUROPE
For a full week of relaxation and comfort afloat, go White Empress to Europe. Congenial companions . . . varied entertainment . . . courtesy and service in the Canadian Pacific tradition.
Sailings from Saint John and Halifax to Liverpool by the completely reconditioned 20,000 ton Empress of Canada and her sister ship Empress of France . . . first class return accommodation available.

WINTER SAILINGS
From Saint John and Halifax*
Jan. 5....EMPRESS OF FRANCE
Feb. 2†....EMPRESS OF FRANCE
Feb. 16....EMPRESS OF CANADA
Mar. 2....EMPRESS OF FRANCE
Mar. 16....EMPRESS OF CANADA
*From Halifax one day later.
†Via Greenock, Scotland to Liverpool.
First Class ....$240 up
Tourist ....$152 up
The same famous cuisine and service are yours on Canadian Pacific's passenger-carrying freighters Beaverford and Beaverburn. Sailings approximately twice monthly, dates on request. First Class fare $220.
Full information from any Canadian Pacific office or your own travel agent.
Canadian Pacific



It's nice to be home for Christmas
IT'S EASY BY TCA
Wherever home is for you this Christmas . . . it's only hours away by T.C.A., and you can get there swiftly, easily, comfortably when you fly with T.C.A. to any point on this great continent.
Fly T.C.A. and spend your time there — not in "getting there" . . . cost of air travel is surprisingly reasonable.
PHONE AD. 5231
BAY & TEMPERANCE STS. & THE ARCADE, ROYAL YORK HOTEL
OR YOUR TRAVEL AGENT
TRANS-CANADA Air Lines
International · Trans-Atlantic
Transcontinental

DIVIDEND NOTICES

The Canadian Bank of Commerce

NOTICE is hereby given that an extra distribution of TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the year ending 30th October, 1948, and that the same will be payable at the Bank and its Branches on and after MONDAY, the THIRD day of JANUARY, 1949, to Shareholders of record at the close of business on 30th November, 1948. The Transfer Books will not be closed.

By Order of the Board.
JAMES STEWART,
General Manager.

Toronto, 12th November, 1948.

The Toronto Mortgage Company

QUARTERLY DIVIDEND

Notice is hereby given that a dividend of $1.25 per share, upon the paid-up Capital Stock of this Company, has been declared for the current quarter, and that the same will be payable on

3rd January, 1949,

to shareholders of record on the books of the Company at the close of business on the 15th instant.

By Order of the Board,
PHILIP SIMMONDS,
Manager.

2nd December, 1948.

H. R. MacMillan Export Company Limited

NOTICE IS HEREBY GIVEN that a dividend of 12½ cents per share on the class "A" shares of the Company has been declared for the quarter ending December 31st, 1948, payable December 31st, 1948, to shareholders of record at the close of business on December 10th, 1948.

NOTICE IS HEREBY ALSO GIVEN that a dividend of 12½ cents per share on the class "B" shares of the Company has been declared for the quarter ending December 31st, 1948, payable December 31st, 1948, to shareholders of record at the close of business on December 10th, 1948.

The Transfer Books will not be closed.

Dated at Vancouver, B.C., this 26th day of November, 1948.

By Order of the Board.
G. D. ECCOTT,
Secretary.

PENMANS LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of January, 1949.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 1st day of February to Shareholders of record of the 3rd day of January, 1949.

On the Common Stock, seventy-five cents (75c) per share, payable on the 15th day of February to Shareholders of record of the 17th day of January, 1949.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.

Montreal,
November 29, 1948.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 82

NOTICE is hereby given that a dividend of Forty cents (40c) per Share on Class "A" Shares has been declared for the three months ending December 31st, 1948, payable by cheque dated January 15th, 1949, to shareholders of record as at the close of business on December 31st, 1948. Such cheques will be mailed on January 15th, 1949, by the Montreal Trust Company from Vancouver.

By Order of the Board,
J. A. BRICE,
Secretary.

Vancouver, B.C.
November 25th, 1948.

Canada Steamship Lines Limited

A dividend of One dollar and twenty-five cents ($1.25) per share on the preference shares of Canada Steamship Lines Limited for the six months period ending December 31, 1948, was declared payable January 3, 1949, to shareholders of record December 3, 1948.

Dated at Montreal, this 29th day of November, 1948.

R. B. THOMSON,
Vice-President and Secretary.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that the one hundred and fiftieth quarterly dividend of one and three-quarters per cent (1¾%), being at the rate of seven per cent (7%) per annum, for the quarter ending November 30, 1948, on the Preferred Stock of the Company, has been declared payable January 3, 1949, to shareholders of record the 10th day of December, 1948.

By Order of the Board.
P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.,
November 16, 1948.

The Ontario Loan & Debenture Company

246th DIVIDEND

Notice is hereby given that a Quarterly Dividend of $1.25 per share for the current quarter ending 31st December, 1948, has been declared on the paid-up Capital Stock of this Company and will be payable at the Company's Office, London, Ontario, on the 3rd January, 1949, to Shareholders of record at the close of business on the 15th December, 1948.

By Order of the Board.
T. H. MAIN,
Manager.

London, Ontario,
30th November, 1948.

Canadian Westinghouse Company, Limited

DIVIDEND NOTICE

NOTICE is hereby given that on November 24, 1948, the Board of Directors of this Company declared a dividend of Fifty Cents (50c) per share upon the outstanding Capital Stock of the Company, payable January 1, 1949, to Shareholders of record at the close of business, December 15, 1948, subject to the regulations of the Foreign Exchange Control Board of the Dominion Government.

Cheques will be mailed to Shareholders.

By Order of the Board.
W. A. CAMPBELL,
Secretary.

Hamilton, Canada,
November 30, 1948.

DIVIDEND NOTICES

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable

MONDAY, THE THIRD DAY OF JANUARY

next, to Shareholders of record at the close of business on the Fifteenth day of December, 1948.

By order of the Board.
J. W. ROSE, Jr.
Secretary.

TORONTO, November 17th, 1948.

SOUTHERN CANADA POWER COMPANY, LIMITED

The Board of Directors has declared the following dividends:

6% Cumulative Participating Preferred Stock

No. 116, quarterly, $1.50 per share, payable January 15th, 1949, to holders of record at the close of business on December 20th, 1948.

No par value Common Stock

No. 95, quarterly, 30c per share, payable February 15th, 1949, to holders of record at the close of business on January 20th, 1949.

L. C. HASKELL,
Secretary.

Montreal, November 26th, 1948.

Imperial Tobacco Company of Canada, Limited

DIVIDEND

NOTICE is hereby given that a Dividend (No. 5) of twenty-five Cents (25c) per share has been declared for the quarter ending 31st January, 1949, on the paid-up 4% Cumulative Redeemable Sinking Fund Preference Shares of the Company. The said Dividend will be paid on Tuesday, the 1st day of February, 1949, to shareholders of record at the close of business on Tuesday, the 21st day of December, 1948.

By Order of the Board.
A. L. ROBERTSON,
Secretary.

Montreal, P.Q.,
3rd December, 1948.

Borden's

DIVIDEND No. 155

The final dividend for the year 1948 of seventy-five cents (75¢) per share has been declared on the capital stock of *The Borden Company*, payable December 21, 1948, to stockholders of record at the close of business December 6, 1948.

E. L. NOETZEL
Treasurer

November 30, 1948

WESTERN GROCERS LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that the following dividends have been declared, payable January 15th, 1949, to shareholders of record December 15th, 1948.

On the Preferred Shares $20 Par $1.40 Series—35 cents a share;

Or alternatively $1.75 a share on the Preference Shares $100 Par not yet exchanged for Preferred Shares $20 par pursuant to Arrangement dated June 21st, 1946;

On the Class A Shares—50 cents a share;

Or alternatively $2.00 a share on Common Shares not yet exchanged for Class A Shares and New Common Shares pursuant to Arrangement dated June 21st, 1946.

W. P. RILEY,
President.

Winnipeg, Man.,
December 1st, 1948.

MAILMAN CORPORATION LIMITED

NOTICE IS HEREBY GIVEN that a Dividend of twenty-five cents (25c) per share has been declared on the outstanding common shares of the Company, for the quarter ending October 31st, 1948, payable January 3, 1949, to Shareholders of record at the close of business, December 20th, 1948, by order of the board.

W. F. MACKLAIER,
Secretary.

MONTREAL, Quebec,
December 1st, 1948.

Donnell & Mudge Limited

Notice is hereby given that the Directors of Donnell & Mudge Limited have declared the regular quarterly dividend of 25c per share on the outstanding Class "A" Shares of the Company for the quarter ending 31st December, 1948, and a dividend of 20c per share on the outstanding Common Shares of the Company, both dividends payable 1st January, 1949, to holders of record at the close of business on the 15th day of December, 1948.

By Order of the Board.
H. C. DWYER,
Secretary.

Dated at New Toronto,
3rd December, 1948.

Highland-Bell Limited

DIVIDEND NO. 34

NOTICE is hereby given that a dividend of five cents per share has been declared by the directors of the Company, payable in Canadian funds, on January 15, 1949, to shareholders of record at the close of business on December 24, 1948.

By Order of the Board.
A. T. CARLSON,
Secretary-Treasurer.

Vancouver, B.C.,
December 3, 1948.

DIVIDEND NOTICES

Canadian Bronze Company Limited

DIVIDEND NOTICE

The Quarterly Dividend of 1¼% on the PREFERENCE STOCK of CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 1st day of February, 1949, to Stockholders of record as of the 10th day of January, 1949.

Also a Quarterly Dividend of Twenty-five (25c) Cents per Share, together with a Special year end Dividend of Twenty-five (25c) Cents per Share, has been declared on the present outstanding COMMON STOCK of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending January 31st, 1949. Payable the 1st day of February, 1949 to Stockholders of record as of the 10th day of January, 1949.

By Order of the Board.
W. C. PAQUETTE,
Secretary.

Montreal, P.Q.,
December 1st, 1948.

PROVINCIAL PAPER LIMITED

Notice is hereby given that Regular Quarterly Dividend of 1% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable December 15th, 1948, to shareholders of record at close of business December 4th, 1948.

W. S. BARBER,
Secretary-Treasurer.

Verney Corporation of Canada Ltd.

DIVIDEND NOTICE
PREFERRED SHARES

NOTICE IS HEREBY GIVEN that a regular quarterly dividend of 1⅛% (56c) per share has been declared on the outstanding 4½% Cumulative Redeemable Preferred Shares, payable January 1, 1949, to Shareholders of record at the close of business on December 10, 1948.

JOHN G. PORTEOUS, K.C.,
Secretary.

MONTREAL, November 26, 1948.

ZELLER'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that the following Dividends have been declared by the Directors of Zeller's Limited for the quarter ending January 31st, 1949.

On the 6% Preferred Shares, the regular one and one half (1½) per cent (37½ cents), payable February 1st, 1949, to Shareholders of Record January 15th, 1949.

On the 5% Preferred Shares, the regular one and one quarter (1¼) per cent (31¼ cents), payable February 1st, 1949, to Shareholders of Record January 15th, 1949.

On the No Par Common Shares, 37½ cents per Share, payable February 1st, 1949, to Shareholders of Record January 15th, 1949.

Also a Bonus was declared on the Common Stock of 50c payable February 1st, 1949, to Shareholders of Record January 15th, 1949.

By Order of the Board.
T. E. McDERMOTT,
Treasurer.

DISTILLERS CORPORATION-SEAGRAMS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of Twenty-five cents (25¢) per share in Canadian currency on the outstanding Common Shares of the Company has been declared payable December 15, 1948, to shareholders of record at close of business December 8, 1948.

By Order of the Board.
A. M. HENDERSON,
Secretary-Treasurer.

Montreal,
November 30, 1948.

POWER CORPORATION OF CANADA LIMITED

The Board of Directors has declared this day the following dividends.

6% First Cumulative Preferred Stock

No. 94, quarterly, $1.50 per share.

6% Non-Cumulative Participating Preferred Stock (Par value $50)

No. 86, quarterly, 75c. per share. Payable January 15th, 1949, to holders of record at the close of business on December 20th, 1948.

L. C. HASKELL,
Secretary.

Montreal, November 26th, 1948.

THE STERLING TRUSTS CORPORATION

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of 1½% for the current quarter ending December 31st, 1948, has been declared on the paid up capital stock of the Corporation and will be payable on January 3rd, 1949, to shareholders of record at the close of business on December 15th, 1948.

By order of the Board.
E. R. MEREDITH,
Secretary.

DIVIDEND NOTICE

Gypsum, Lime and Alabastine, Canada, Limited

Notice is hereby given that an extra dividend of twenty-five cents (25c) per share for the year 1948 has been declared upon the issued and outstanding shares of the Company and will be paid March 1st to shareholders of record February 1st; also that a dividend of one dollar ($1.00) per share for the year 1949 has been declared and will be paid quarterly at the rate of twenty-five cents (25c) per share as follows:

Shareholders of record at the close of business February 1st, payable March 1st.

Shareholders of record May 2nd, payable June 1st.

Shareholders of record August 1st, payable September 1st.

Shareholders of record November 1st, payable December 1st.

By Order of the Board.
S. H. J. REID,
Secretary.

Paris, Ontario.
December 2nd, 1948.

DIVIDEND NOTICES

ARGUS CORPORATION LIMITED

DIVIDEND NOTICE
PREFERRED AND COMMON STOCK

Notice is hereby given that a dividend of one dollar and twelve and one-half cents ($1.12½) per share on the outstanding 4½% Cumulative Convertible Redeemable Preference Shares in the capital stock of the Company has been declared payable on the first day of March, 1949, to shareholders of record at the close of business on the thirty-first day of January, 1949.

Notice is hereby given that a quarterly dividend of fifteen cents (15 cents) per share on the outstanding common stock of the Company has been declared payable on the first day of March, 1949, to shareholders of record at the close of business on the thirty-first day of January, 1949.

By Order of the Board,
R. W. FINLAYSON,
Secretary.

Toronto, Ontario, December 7, 1948.

Broulan Porcupine Mines Limited

(No Personal Liability)

DIVIDEND NO. 14

Notice is hereby given that an Interim Dividend of Two Cents per share in Canadian funds has been declared on the issued capital stock of the Company, and will be paid on January 10th, 1949, to shareholders of record December 20th, 1948.

By Order of the Board.
HAROLD S. DAY,
Secretary.

Toronto, Ontario,
December 6th, 1948.

Anglo-Huronian Limited

DIVIDEND NO. 23

NOTICE IS HEREBY GIVEN that a dividend of Ten Cents (10c) per share, in Canadian Funds, on the issued capital stock of the Company has been declared payable January 28th, 1949, to shareholders of record at the close of business January 5th, 1949.

J. INGRAM,
Secretary-Treasurer.

Toronto, November 30th, 1948.

NOTICE OF DIVIDEND

Hanson's Wholesale Grocers, Limited

NOTICE IS HEREBY GIVEN that a Dividend of $5.00 per share on the Preference Shares of the Company has been declared payable on and after the 15th day of December, 1948, to holders of record at the close of business on the 10th day of December, 1948.

Dated at Toronto this 1st day of December, 1948.

A. F. RODGER,
Secretary.

Industrial Acceptance Corporation Limited

DIVIDEND NOTICE

Notice is hereby given that the following dividends have been declared for the quarter ending December 31st, 1948:

5% Preferred Stock

One dollar and twenty-five cents ($1.25) per share on the $100.00 Par Value 5% Preferred Shares (being at the rate of $5.00 per share per annum),

4¼% Preferred Stock

One dollar and six and one-quarter cents ($1.06¼) per share on the $100.00 Par Value 4¼% Preferred Shares (being at the rate of $4.25 per share per annum),

Common Stock

Thirty-seven and one-half cents (37½c) per share on the No Par Value Common Shares,

payable in each case on December 31st, 1948, to Shareholders of record at the close of business on 10th December, 1948.

By Order of the Board.
L. E. CUTHBERTSON,
Secretary-Treasurer.

Montreal, P.Q.,
December 2nd, 1948.

Canada Machinery Corporation, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of twenty-five cents (25c) per share on the shares in the capital stock of the Company has been declared payable on and after the 28th day of December, 1948, to holders of record at the close of business on the 15th day of December, 1948.

Dated at Galt this 2nd day of December, 1948.

R. L. HUNTER,
Secretary.

NOTICES

The Royal Bank of Canada

ANNUAL MEETING

THE Annual General Meeting of the Shareholders of the Bank will be held at the Head Office, 360 St. James Street West, in the City of Montreal, on Thursday, the 13th day of January, 1949, at 11 o'clock, a.m.

By order of the Board.
JAMES MUIR,
General Manager.

Montreal, Que., December 1, 1948.

THE CANADIAN BANK OF COMMERCE

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, number twenty-five King Street West Toronto on Tuesday, the fourteenth day of December next.

The chair will be taken at eleven o'clock a.m., Eastern Standard time.

By order of the Board,
JAMES STEWART,
General Manager.

Toronto, 8th October 1948.

McCOLL-FRONTENAC OIL COMPANY LIMITED

"PREFERRED STOCK DIVIDEND No. 10"

NOTICE IS HEREBY GIVEN that a Dividend of $1.00 per share being at the rate of 4 per cent per annum has been declared on the 4% Cumulative Preferred Stock of McColl-Frontenac Oil Company Limited for the quarter ending December 31st, 1948, payable January 20th, 1949, to shareholders of record at the close of business on December 31st, 1948.

By Order of the Board.
FRED HUNT, F.C.I.S.,
Secretary.

Dynamite Blast Clears River Boosts Seven Sisters Power

From Our Own Correspondent

WINNIPEG — Immediate capacity of the Winnipeg Electric Co. power plant at Seven Sisters on the Winnipeg River was increased 25,000 h.p. last Sunday when 21 tons of dynamite were exploded to clear out a rock plug and coffer dam in the river channel. When dykes are completed above the dam, which will be about next May, another 25,000 h.p. will have been added to the capacity of the already-installed units at the plant.

Sunday's operation will eventually make available 162,500 h.p. of new power capacity at the plant. Apart from the 50,000 h.p. already mentioned, another 112,500 will be added with installation of three new units of 37,000 h.p. capacity each.

Two of these units are on order, the first for delivery in August 1949, second in August 1950. The third will probably be installed the following year.

The Seven Sisters development, when completed, will give the company 225,000 h.p. at this site. This is in addition to 168,000 h.p. it has at its Great Falls site, making a total of 393,000 h.p. available to it on the Winnipeg River. The company now has 30,000 h.p. at a nearby plant at Pinawa, but that plant will be closed when the Seven Sisters development is completed.

Within 48 hours after the blast was touched off this week, E. V. Caton, chief engineer of the company, said it had been more successful than anticipated. There was no damage to the nearby power house, and the output of the three already installed units has been increased even more than expected.

Preparations for clearing the new channel have been under way the last 18 months by the Rayner Construction Co., Toronto. The operation changes the river course and with the rock plug cleared, the new channel is 140 feet wide and about 300 feet long.

With lowering of the tail race at the power dam and the dykes to be installed above it, the water drop is increased from 38 to 68 feet, depending on flow of the river.

The Sunday operation was witnessed by about 100 engineers and government officials, many of them from other provinces. The rock plug at the head of the channel was only about 240 feet from the powerhouse and its removal was considered one of the most risky engineering jobs ever accomplished in Canada.

Short Position Rises on T.S.E.

Semi-monthly short position report of the Toronto Stock Exchange as of Nov. 30, 1948, shows the aggregate short positions, eliminating odd lots, on the books of member firms at 690,199 shares of 145 issues, compared with 610,994 shares of 141 issues on Nov. 15.

Largest net changes from the previous compilation in individual mining stocks were:

MINING STOCKS

Security	Change	Security	Change
Thurbois	+88,900	N. Norzone	—6,500
Duvay	—22,500	Silanco	+5,800
Transcont.	+9,800	Roxana	+5,800
Kirk. G. G.	—9,000	Croinor	... +5,000
Callinan	—8,800	Eureka	+4,500

INDUSTRIAL STOCKS

Bell Tele.	—720	Int. Pete.	—1,896
M. Leaf Mill.	+700	Milton Brick	+900
C. W. Lumb.	+400		

Here is a complete list of the short interest position:

Stock	Shares	Stock	Shares
Abitibi	300	Harricana	10,000
Algoma Steel	225	Hollinger	600
Amal. Larder	1,500	Home Oil	3,525
Anacon Lead	5,000	Howey Gold	500
Anglo-C. Oil	2,800	Hudson Bay	260
Apex Cons.	1,000	Imperial Oil	1,200
Argus Corp.	1,100	Int. Nickel	265
Ashley	1,000	Int. Paper	375
Athona	500	Int. Pete.	1,366
Atlantic Oil	2,000	Int. Uranium	2,500
Base Metals	69,400	Kerr Addison	900
Bell Phone	216	Kirk. G. G.	11,500
Bevcourt	13,500	Labrador	2,000
Bordulac	1,000	Laguerre	5,000
Brazilian	100	Lake Dufault	2,700
B.C. For. Prod.	700	Lake Wasa	2,000
B.C. Pulp	20	Lamaque	100
Brit. Dom. Oil	500	Laura Secord	225
Buffadison	4,000	Leduc W. Oil	1,000
Buffalo Ank.	2,700	Lingman Lake	500
Calgary & Ed.	2,100	Loblaw A	500
Callinan	3,000	Louvicourt	3,500
Can. & Dom. Sugar	100	Macassa	2,200
Cdn. Brew.	1,600	Macdonald	19,200
Cdn. Can. 1st Pr.	47	MacMillan Ex. B	100
Cdn. I. Alco. Vot.	400	Magnet Cons.	6,000
C.P.R.	900	Malartic G. F.	3,300
C. W. Lumber	900	Maple L. Mill.	800
Cent. Leduc	2,400	Mid-Continent	500
Cent. Porc.	500	Milton Brick	2,100
Ch. Research	500	Mining Corp.	1,500
Cheskirk	5,000	M. & O. Pa.	700
Chesterville	4,100	Moneta	500
Chimo	500	Negus	2,100
Citralam	500	N. Calumet	900
Coch-Will.	7,600	New Jason	9,200
Cons. Beattie	1,000	N. Norzone	7,000
Cons. Smelters	15	New Pacalta	500
Cons. Paper	200	Nib Yk.	3,000
Conwest	200	Nicholson	77,600
Croinor	7,500	Noranda	100
Davies Pete.	500	Normetal	7,800
Decalta Oil	3,400	North Inca	3,500
Delnite	400	Okalta Oil	2,200
Denison Nkl.	5,000	O'Leary	5,000
Dickenson	6,000	Osisko Lake	10,000
Dome Mines	100	Osulake	2,000
Dom. Coal pf.	125	Pacific Pete.	3,600
Dom. Stl. & C. B	1,450	Pend Oreille	—600
Donalda	10,600	Piccadilly	5,500
Dulama	3,000	Pickle Crow	200
Duvay	2,000	Preston E. D.	1,600
East Leduc	2,000	Que. Labrador	2,500
E. Malartic	1,100	Quemont	600
E. Sullivan	4,300	Reeves MacD.	800
Elder	500	Roche Long L.	500
Eldona	45,000	Roxana	5,800
Eureka	7,800	Rupununi	1,500
Fanny Farmer	175	San Antonio	1,800
Fed. Grain	550	Sherritt G.	15,000
Foothills	100	Silanco	30,100
Ford A	100	Steep Rock	14,700
Frobisher	100	Sudbury Con.	2,500
Giant Yk.	17,100	Thompson-L.	2,000
Globe Oil	1,000	Thurbois	94,900
God's Lake	500	Torbrit	2,000
Golden Man.	700	Trans. Res.	15,200
Goodyear Tire	10	Un. Keno Hill	1,100
Gt. Lakes Pa.	400	United Steel	100
Gulf Lead	5,300	Ventures	500
Hard Rock	500	Waite Amulet	500
		Walker G. & W.	25
		Wpg. Electric	825
		Ymir Yankee	1,000
		TOTAL	690,199

FISSION MINES says that upon completion of registration with Securities & Exchange Commission, Mark Daniels & Co. optioned 200,000 shares at 75 cents for sale in the United States at $1 a share. Of the net proceeds, $5,000 will be paid to the options to defray advertising and promotional expenses of the offering. The option will net the treasury $145,000. The company agrees to give the optionee first refusal of any further treasury financing of the company. After conclusion of the foregoing sale, it is proposed to grant Mark Daniels & Co. an option on a further 200,000 shares at $1.70 for sale in the United States at $2. Of net proceeds, $5,000 will be paid to Mark Daniel & Co. to defray advertising and promotional expenses of the offering. Authorized capital three million shares; issued 1,301,842; escrowed 710,650; filed Nov. 17.

Want Fed. Grain Officers Ordered Answer Queries

From Our Own Correspondent

WINNIPEG—Lawyers for the minority group of shareholders which has started action against the Federal Grain Co., its subsidiaries and directors, are moving in court to compel answers to questions asked in examinations for discovery.

There have already been examinations of H. E. Sellers, president of Federal Grain Co. and of A. R. Strachan, secretary of it and of Alberta Pacific Grain Co. (1943), a wholly-owned subsidiary. Both refused to answer a number of questions, on advice of their counsel. Whether they will be compelled to answer will likely be determined by the courts. Transcripts of their examinations so far as they went, were received by lawyers for the plaintiff early this week. They said notice of motion to compel the answers would be given in a few days. The action was started to satisfy certain transfers of 20,229 shares of class B common stock which carry voting privileges.

Montreal Short Interest Up

MONTREAL (Staff) — Montreal Stock Exchange reports show short position of 13,167 shares of 47 issues as at Nov. 30, 1948, compared with 13,514 shares of 37 issues on Nov. 15 Chief changes include:

Stock	Shares	Stock	Shares
Bell Tele.	—290	Int. Nickel	+200
Can. Cement	+225	Int. Pete.	—1,896
C. Steamships	+400	Massey-Har.	+200
Dist. Corp.	+425	Sicks Brew.	+200
Dom. Coal B	+200	Wpg. Elec.	+320
Imp. Oil	+200		

Short interest on the Montreal Curb Market totaled 133,695 shares of 35 issues against 76,698 shares, 29 issues, Nov. 15. Chief changes include:

Stock	Shares	Stock	Shares
Bouzan	+1,000	Fraser	—125
Can. & Dom. Sugar	—100	Lowneys	+100
Can. W. Lum.	+100	Macdonald	—1,240
Comm. Alco.	—950	Santiago	+1,000
Donalda	+1,000	Thurbois	+5,000
		Un. Asbest.	+53,200

Actual short positions show as follows:

MONTREAL STOCK EXCHANGE

Abitibi	100	Dom. Coal B	1,080
Abitibi $1.50 pf.	200	Dom. Glass	100
Algoma	660	Dom. Stores	75
Aluminium	125	Dryden	200
Asbestos	125	Gypsum	50
Bathurst A	450	Ham. Bridge	200
Bell Tele.	271	Howard Smith	200
B. A. Oil	150	Imp. Oil	335
B.C. Power B	100	Int. Nickel	725
Bruck Mills A	25	Int. Paper	750
Bruck Mills B	50	Int. Pete.	1,466
Bldg. Products	50	Massey-Harris	225
Can. Cement	1,200	Mtl. Loco.	450
Can. S. S. com.	825	Nat. Brew.	105
Can. S.S. pf.	73	Nat. Steel Car	50
Cdn. Brew.	425	Power Corp.	75
Cdn. Canners A	47	Price Bros.	175
Cdn. Car	225	Price Bros. pf.	25
Can. Celanese	125	Shawinigan	35
Can. Convert.	150	Sick's Brew.	200
Can. Loco.	250	Stand. Chem.	50
C.P.R.	200	Wpg. Electric	50
Cons. Smelters	155	TOTAL	13,167
Dist. Seagrams	425		

MONTREAL CURB MARKET

Anglo Can. Oil	200	Fraser	565
Base Metals	600	Gaspe	1,100
Bouzan	1,000	Hollinger	25
Brown Co.	1,600	Home Oil	75
Burnett	50	Lowney's	475
Can. & Dom. Sugar	300	Macdonald	4,500
Can. W. Lumb.	100	Maclaren	175
Can. Vickers	700	Maple Leaf	610
Candego	1,000	Minn. & Ont.	50
Comm. Alco.	1,050	Moore Corp.	25
Cons. Paper	820	Nicholson	1,100
Cons. Textile	100	Normetal	200
Donalda	1,000	Paul Service	100
Donnacona	50	Rochette	3,500
East Sullivan	500	Santiago	1,000
Elder	1,000	Thurbois	5,000
Eldona	900	U. Asbestos	104,500
Federal Grain	25	TOTAL	133,695

NEW PACALTA OILS CO. has received payment for Dec. 1 and Jan. 2 underwriting installments, each for $7,500, covering shares at 7½ cents under agreement with George Scott. Issued capital is 2,768,525 shares.

Grain Prices

Winnipeg Grain Futures

Week to Dec. 6, 1948

Crop year from Aug. 1, 1948 High	Low		High for week	Low for week	Close Dec. 6
		Oats			
.81¾	.68⅞	Dec.	.81¾	.78½	.81½
.78⅞	.70¾	May	.78⅞	.76⅝	.78⅝
.75½	.71½	July	.75½	.74	.75½
		Barley			
1.14	.98	Dec.	1.12¼	1.09⅝	1.11¾
1.10¼	.98⅜	May	1.09⅜	1.07⅞	1.09⅜
1.07½	1.04⅛	July	1.06⅛	1.04⅞	1.06
		Rye			
1.99¾	1.39¼	Dec.	1.62⅞	1.54½	1.62
1.79	1.40½	May	1.68¼	1.60⅛	1.67¼
1.72	1.57¼	July	1.66½	1.57¼	1.65⅞
		Flax			
4.27½	4.00	Dec.	4.00¾	4.00	4.00
4.11½	4.02	May	4.11⅛	4.09	4.09
4.12	4.10¼	July	4.12	4.10¼	4.10¼

Cash Quotations

For Week	Dec. 6 High	Low	Prev. Week High	Low
Oats				
2 C. W. ..	.81¾	.79	.85⅞	.79¼
3 C. W. ..	.81¼	.78¾	.85⅛	.78⅝
Barley				
1 Feed ..	1.08⅜	1.06⅛	1.10½	1.07⅜
2 Feed ..	1.06⅝	1.04⅛	1.10¼	1.05⅞
Rye				
2 C. W. ..	1.62¼	1.55¼	1.63½	1.56¼
Flax				
1 C. W. ..	4.00¼	4.00	4.02	4.00⅛

N. M. PATERSON & COMPANY LTD.
Own and Operate
Terminal Elevators in Fort William
109 Country Elevators
Total Storage Capacity 12,000,000 bus.
31 Vessels on the Great Lakes
Total Carrying Capacity 4,500,000 bus. per trip
Head Office: FORT WILLIAM, ONT.
609 Grain Exchange, Winnipeg

FEDERAL GRAIN LIMITED
AND
THE ALBERTA PACIFIC GRAIN CO. (1943) LTD.
WINNIPEG - CALGARY
Country Elevators located in all Prairie Provinces, and Terminals at Fort William, Port Arthur and Vancouver.
Cereal and Forage Seed Plant at Winnipeg.
We invite your inquiries regarding feed and seed grain.

HALLET & CAREY LIMITED
GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd.
and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Branch Offices—Fort William, Ont., Montreal, Que.
— Vancouver, B.C.

THE CANADIAN CONSOLIDATED GRAIN
COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants — Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ALGOMA STEEL CORP. Increase in operating earnings is due to extensions and betterments in the works, paid for out of net profits, and to the growing efficiency of the whole organization, Sir James Dunn, chairman and president, states in annual report for year ended April 30, 1948. Net profits increased over $750,000 to $2,019,299.

During the year, earnings were seriously impaired as a result of prolonged labor negotiations, during which the works were idle. Some prices were slightly higher but increases were generally offset by increased raw material cost.

Working capital increased $398,902 to $11,094,632, after providing $250,000 on plant extension; $928,621 on developments in the works; $1,715,200 for preferred redemption; $550,000 for purchase of the Windsor Hotel and the bus system in Sault Ste. Marie, Mich., and Two Cities Transit Co. These items total $3,448,821.

Algoma Ore properties, a wholly-owned subsidiary, operated profitably the open pit operation at the Victoria mine, treating ore mined where grade required sink float concentration before sintering, while at the same time carrying forward the installation of underground mining at the Helen mine. The company by the end of next year expects to produce one million tons of ore, which in turn will produce 750,000 tons of sinter, increasing to 1.5 million and one million tons, respectively in 1950. The company expects it will have substantially recovered from operation the $4 millions cost of the underground installation, sintering plant extensions, housing and public service expenditures at Jamestown.

First underground installation covering two levels, aggregating approximately 600 ft. of depth, is estimated to provide 22 million tons of ore from the Helen and Victoria, Sir James adds. Drilling beyond 2,200 ft. has indicated richer ore at depth and assures depth development in later years. Continuous drilling and entrenching to the east of the Helen and Victoria have established existence of similar deposits in heavy concentration and extent. The price of sinter at Lake Erie ports has risen over previous years and continues to be in demand far in excess of present capacity.

Drilling of the Iron Lake property encountered soft red hematite at depth after hitting unexpected caves and voids in the drill holes. The company has established and is encouraging independent development of its townsite, Jamestown, adjacent to the Helen mine and town where majority of employees reside.

The Cannelton Coal & Coke Co. and Lake Superior Coal Co. operations continued satisfactory during the year. Additional acreage leased at Cannelton assures company of over a half-century supply of high volatile coal.

INCOME AND SURPLUS ACCOUNT

Years Ended Apr. 30:	1948	1947
Net earnings	$4,804,513	$3,224,268
Less: Loan int.	110,242	25,934
Bond interest	......	72,978
Prem. on bds. red. .	13,330	1,965
Depreciation	1,124,534	1,056,612
Income taxes	1,537,108	811,307
Net profit	2,019,299	1,255,532
Less: Pref. divd.	42,880	85,760
Surplus for year	1,976,419	1,169,772
Earnings per Share and Dividend Record:		
Pref.†: Paid	$2.50	$5.00
Common: Earned ..	4.79	2.83
None paid.		

†Redeemed July 1, 1947.

CONDENSED GEN. BALANCE SHEET

As at Apr. 30:	1948	1947
Cash	$1,076,392	$2,778,198
Accts. rec.	6,030,106	5,068,035
Inventories	8,773,224	7,398,653
Total curr. assets	15,879,715	15,244,886
Dep. re bds.	......	1,379,655
Misc. assets	246,383	218,591
Investments	1,601,138	1,101,306
Fixed assets*	14,982,278	16,297,703
Total assets	32,723,684	34,232,438
Bank loans	......	186,800
Accts. & tax pay. ...	3,917,621	3,646,080
Other curr. liab.	867,462	716,276
Total curr. liab.	4,785,083	4,549,156
Plant extn. liab.	739,313	989,313
Conting. res., etc. ...	4,398,552	4,116,443
Funded debt	......	1,379,655
Capital stock	10,274,500	11,989,700
Distrib. surplus	2,332,722	2,839,723
Earned surplus	†9,692,454	8,375,448
*After deprec. of .	12,998,912	12,752,540

†After deducting $459,413 loss on sale of tin mill and $200,000 conting. res. approp.

Working capital	11,094,632	10,695,730

ROYBAR CHIBOUGAMAU MINES advises that Norwood Prospecting Synd., Toronto, has underwritten 200,000 shares at 10 cents, payable forthwith and optioned 100,000 shares at 10, 12½, and 15 cents, respectively, all exercisable within 60 days. The company is acquiring a Saskatchewan reservation covering 600 acres in the Athabaska Lake area from the Saskatchewan government for $8,000. The company has committed itself to the issue of 100,000 shares of stock, such shares to be pooled during the term of the underwriting and option agreement. Upon issue of these shares issued capital will be 2,138,005 shares.

THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING DECEMBER 3

Mining Stocks

Week Ended December 3

Oil Stocks

* N. Y. Funds. ‡ Extra. ‡ Capital Repayment. ‡ Paid in 1946. § Paid in 1947. † Paid or payable in 1948. ▾ Payable in 1949.

Volume of Stock Sales

	Montrea	Toronto	Calgary	Vancouver	New York
Dec. 6 ...	387,700	1,029,000	356,085	220,048	1,430,000
Dec. 4 ...	164,000	587,000	204,910	107,965	640,000
Dec. 3 ...	227,700	1,410,000	478,155	269,788	1,370,000
Dec. 2 ...	285,800	1,321,000	521,282	383,145	1,440,000
Dec. 1 ...	337,700	1,733,000	619,676	489,967	1,600,000
Nov. 30 ...	296,000	1,488,000	861,659	488,040	1,440,000

STOCKS NOT TRADED THIS WEEK

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 18	Total co's. 100
(Base 1935-39=100)												
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1948: Monthly Figures:												
Jan.	189.8	216.9	113.8	70.5	188.4	117.6	312.6	132.6	101.4	132.5	112.9	107.8
Feb.	179.7	242.7	105.5	65.8	185.3	111.8	294.1	122.5	95.2	129.7	110.1	102.2
Mar.	189.5	243.7	104.9	65.2	186.6	109.6	289.7	121.4	96.4	127.8	107.4	101.5
Apr.	209.1	256.5	109.5	70.1	197.3	115.2	312.6	132.0	102.5	127.7	116.5	109.1
May	228.0	274.1	113.1	76.6	215.7	114.0	331.8	142.4	107.8	128.4	127.8	116.5
June	247.7	279.8	111.7	79.5	220.2	113.9	324.3	144.1	108.7	128.5	132.2	120.3
July	234.9	275.9	111.2	75.1	221.9	115.5	315.3	139.5	106.6	127.8	126.2	116.3
Aug.	234.8	272.2	108.3	72.8	214.8	113.2	300.3	137.1	106.7	127.9	123.2	113.6
Sept.	231.3	269.4	107.9	74.9	211.5	111.5	297.6	136.7	105.7	128.3	121.2	113.4
Oct.	234.6	266.9	103.5	78.4	212.9	112.8	305.7	139.6	108.8	128.4	123.2	116.4
1948: Weekly Figures:												
Nov. 4 ..	243.3	277.3	101.8	81.5	219.2	115.9	324.5	143.3	109.4	132.7	124.2	120.5
Nov. 11 ..	233.1	264.3	99.7	79.7	214.6	115.6	310.2	139.9	106.9	132.0	120.1	116.8
Nov. 18 ..	230.9	265.6	99.9	79.6	219.2	117.1	315.5	140.8	107.6	132.6	120.5	117.8
Nov. 25 ..	226.6	263.1	99.7	77.5	218.2	117.6	311.4	139.6	107.4	132.9	120.5	116.2
Dec. 2 ..	226.0	261.8	101.7	79.1	220.2	116.1	307.6	139.8	107.5	132.5	121.5	116.4

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Dec. 6	183.23	81.14	107.93	57.46
Dec. 4	183.17	81.55	107.49	58.15
Dec. 3	182.96	81.26	107.20	56.53
Dec. 2	183.47	81.59	106.55	57.83
Dec. 1	183.86	82.71	107.04	60.43
Nov. 30	183.50	82.51	106.20	61.63
Month ago ..	186.04	85.38	111.22	49.39
Year ago	170.72	108.05	84.86	26.54
1948 High ...	191.44	104.68	113.93	61.76
1948 Low ...	149.13	79.16	77.67	28.68

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.	15 Golds
Dec. 6 ...	74.6	131.3	112.4	340.52	60.60
Dec. 4 ...	74.8	131.0	112.2	342.07	59.59
Dec. 3 ...	74.5	130.8	112.0	341.47	59.78
Dec. 2 ...	74.5	130.6	111.9	343.08	60.74
Dec. 1 ...	74.6	130.6	111.9	338.38	60.55
Nov. 30 ..	74.5	130.1	111.5	336.50	59.87
Month ago	74.9	133.5	113.9	349.54	64.06
Year ago .	74.9	125.6	108.7	367.46	77.12
1948 High .	77.7	135.6	116.0	384.80	74.92
1948 Low .	70.7	108.0	95.7	290.28	56.43

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Dec. 6	176.26	53.78	32.95	64.34
Dec. 4	176.22	53.76	32.95	64.32
Dec. 3	175.00	53.38	32.85	63.91
Dec. 2	173.61	53.19	32.76	63.53
Dec. 1	173.22	53.38	32.91	63.55
Nov. 30	171.20	51.91	32.60	62.58
Month ago ..	178.19	56.56	33.78	65.85
Year ago	176.71	46.88	32.95	62.33
1948 High ...	193.16	64.95	36.04	71.85
1948 Low ...	165.39	48.13	31.65	59.89

Unlisted Stocks

(Compiled from quotations supplied by Intercity Securities Corp., Kamm, Garland & Co. and Kippen & Co.)

Dec. 6, 1948

	Bid	Ask.
Allens Toronto units	40.00	....
Anglo Can. Telephone A ..	9.75	10.50
British Mtge. & Trust	185.00	195.00
B. C. Sugar	84.50	87.00
Can. Investors Corp.	7.25	8.00
Candn. Motor Lamp	11.50	13.00
Can. Silk Prod's A	23.00	26.00
Can. West. Nat. Gas com. .	65.00	....
Do. pfd.	18.75	19.75
Capital Wire Cloth com. ..	11.50	....
Cawthra Apts. units	8.50	....
Chase A. W. units	50.00	....
Colonial Steamships com. ..	98.00	....
Commercial Finance com. .	15.50	18.00
Commercial Life 10% paid	9.00	....
Continental Life 20% pd. ..	44.00	....
Detroit Inter. Bridge	14.00	15.25
Dover Industries Ltd.	10.50	11.50
Dunlop Tire pfd.	24.75	25.75
Empire Life Ins. 25% pd. .	17.00	19.00
Galt Brass com.	33.00	....
Goderich Elev. & Trans. ..	17.00	18.00
Great West Life	340.00	360.00
Guardian Realty pfd.	47.50	....
Guelph & Ont. Svgs. $50 p.	61.00	....
Hartz, J. F. A	9.75	11.00
Imperial Life	330.00	355.00
Lambton Loan $50 par	82.00	86.00
Loblaw Groc. Inc.	18.50	....
Manufacturers Life Ins. ..	340.00	360.00
Monarch Mtge. units	5.00	....
Mountainview Apts. pfd. .	22.00	....
Northern Tel. com.	2.00	2.75
Peller Brewing com.	2.50	4.00
Do. pfd.	16.00	18.00
Quality Steels com.	....	.50
Sawyer Massey com.	1.50	2.25
Seiberling Rubber com. ...	6.00	....
Sincennes McNaught. Tugs	2.00	3.00
Sovereign Life 25% pd.	37.50	....
Stand. Fuel pfd.	41.50	43.50
Do. com.	2.50	4.00
Third Can. Gen. Inv.	3.70	4.05
Toronto General Ins.	6.00	8.00
United Farmers Co-op. ...	2.50	....
United Steel A pfd.	24.75	26.00
Victoria Trust & Svgs. ...	135.00	....
Waterloo Mfg. com.	7.00	8.00
Waterloo Trust & Svgs. ..	123.00	126.00
Western Assur. com.	62.50	....
Western Grain com.	.85	1.40
Do. pfd.	22.00	25.00
York Trading com.	11.00	12.50

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
†Algoma Cent. Terminals deb. stk.	5%	1959	Dec. 31	125
‡McCormicks S.F. Mtge.	4%	1952	Jan. 1	101
▲Union Gas	4½%	1950	Dec. 7	101

▲$250,000.
†£30,000.
‡All outstanding.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$20.38	$21.00	$13.27
Hogs	30.35	30.35	22.60
Copper, lb.	.23½	.23½	.21½
Sugar, raw, lb. ..	.0523	.0528	.06320
Coffee, lb.	.27⅝	.27¾	.26¾
Hides	.27	.23	.35
Weekly Indices			
U. S. Labor	164.3	164.2	158.5
Dow Jones	170.5	171.0	165.2
Fishers	170.5	171.0	165.2
Monthly Indices			
Retail (Nov. 6)† ..	159.6	159.6	143.6
W'sale (Oct.) ..	159.2	158.2	139.3
U. S. (Sept.)	168.5	169.5	157.4
Gt. Brit. (Sept.) ..	220.1	221.1	195.2

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper - electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Municipal Bonds

Dec. 7, 1948

	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Victoria ...	3¾	'55-66	96½	99½	3.79
Vancouver .	3	'67	89	92	3.58
Calgary ...	3½	'62	98	101	3.44
Edmonton .	3½	'60	98	101	3.39
Regina	3	'64	91	94	3.49
Moose Jaw	3-3½	'60	94	97	3.50
Winnipeg ..	2¾	'66	92	95	3.12
Ottawa	3	'54	101	103	2.43
Toronto ...	2¾	'72	91	94	3.11
Hamilton ..	3	'60	98½	100½	2.94
Windsor ..	2½	'75	72	75	4.01
Quebec ...	2¾	'66	89	92	3.38
Halifax	3	'66	93	96	3.31
Saint John.	3½	'65	99	102	3.34
Windsor ...	2¾	'75	76	79	4.02
Windsor ...	3½	'75	88	91	4.04

Stocks Not Traded This Week (Continued)

	Div. rate $	Last rate	Dec. 3 Bid	Dec. 3 Ask
Growers Wine ...	..	1.80	..	..
Guranty Trust	5.00	125	126	130
Hahn Brass ..	.60+▪.20	10½	10½	12
Do. pref. ..	1.00+▪.20	19½	20½	21
Hamilton Cot. ...	.90	14½	..	14½
Hendershot Pap. .	1.00	13½	13½	13½
Do. pref.	5.00	95	..	96
Holt Renfrew ...	..	45	..	..
Do. pref.	▲3.50	100	100	145
Do. B rights ...	1.00	20	..	23
Tuckett Tob. P. .	7.00	166	..	..
Un. Amuse. A	1.00+†.50	39	33	..
Do. B	1.00+†.50	38	28	41
Do. A V.T.	1.00+†.50	38	31	40
United Corp. A ..	1.50	29½	29½	30½
Viceroy	†.48	10½	10	10½
Waterous Ltd. A .	.80	13	13	14½

Mining Stocks

—OIL STOCKS—

‡Payable in 1949. †Paid in 1948. ‡Paid in 1946. *N.Y. funds.

BUSINESS BAROMETER

	NOV.	OCT.	SEPT.	AUG.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total revenue	....	215.5	199.6	194.9	229.6
Dominion total expend.	....	151.6	184.4	153.3	168.8
MERCHANDISING					
▪Dept. store sales index no. (1)	....	....	303.2	232.9	287.0
▪Retail store sales index no.	....	....	258.8	239.6	241.0
▪Country store index (no.)	....	....	232.3	244.2	218.7
Wholesale sales index (no.)	....	....	328.0	297.2	301.7
FINANCE					
▪Dividend payment index (5)	203.6	204.3	202.1	201.9	175.8
▪Money supply (millions $)	....	....	4,153	4,048	3,823
NEWSPRINT CAPACITY					
Production ratio	....	....	103.8	103.3	104.0
Shipment ratio	....	....	107.1	105.1	107.8
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.)	....	....	170.9	203.2	165.0
Cars (D.B.S.)	....	....	130.5	155.0	140.4
COST OF LIVING					
▪D.B.S.	159.6	159.6	158.9	157.5	143.6
EMPLOYMENT INDEX					
All industries	....	....	201.2	200.8	193.2
Manufacturing	....	....	209.0	206.2	203.3
Payrolls (June 1/41=100) (2)	....	....	208.2	206.5	180.1

	1948	1947	1948	1947	% Change
RAILWAYS—(000's omitted)					
▪Carloadings (week Nov. 27)	85.3	85.5	3,780	3,656	+3.4
C.N.R. gross rev. (Oct.)	46,890	38,434	401,438	362,206	+10.9
C.N.R. net rev. (Oct.)	5,634	4,119	13,460	32,401	—58.5
▪C.P.R. gross rev. (Oct.)	34,453	29,817	290,040	262,746	+10.0
▪C.P.R. net rev. (Oct.)	5,672	5,211	11,486	15,814	—25.1
IRON AND STEEL PRODUCTION (000's omitted) (Sept.)					
Pig iron production (tons)	182	170	1,593	1,467	+8.9
Steel production (tons)	258	234	2,30?	2,184	+8.1
CONSTRUCTION (000's omitted)					
▪Contracts awarded (Nov.)	83.0	59.8	898.0	683.0	+31.5
Cement prod., bbls. (Sept.)	1,238	1,158	10,298	8,776	+17.3
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Oct.)	5,753	7,376	22,514	28,881	—22.1
Flour exp., bbls. (Oct.)	1,300	1,583	10,242	15,793	—35.1
Wheat exp., bush. (Oct.)	16,062	10,081	106,258	127,247	—16.5
▪Cattle sales (Oct.) (4)	228.5	157.7	1,503.5	1,149.6	+30.8
▪Hog sales (Oct.)	328.9	408.0	3,924.8	3,492.2	+12.4
SEA FISHERIES (000,000 omitted)					
Catch, lb. (Oct.)	114.2	148.2	1,039.7	948.0	+9.6
Landed value (Oct.)	6,219	5,083	53,614	40,458	+32.5
NEWSPRINT (000's omitted)					
Production (Sept.)	376	366	3,418	3,317	+3.0
Exports, tons (Sept.)	388	379	3,386	3,337	+1.4
MINING AND OILS (000's omitted)					
Coal prod. (tons) (Sept.)	1,546	1,548	12,790	10,618	+20.4
Gold prod. (fine oz.) (Aug.)	305	261	2,287	2,036	+12.3
Petroleum prod. (brl.) (Aug.)	1,245	646	7,549	4,863	+55.2
ELECTRICAL POWER OUTPUT (000,000's omitted) (Sept.)					
Total monthly kwh.	3,604	3,589	33,513	33,780	—0.8
FOREIGN TRADE (millions of $)					
Imports (Sept.)	221.7	208.1	1,923.3	1,896.2	+1.4
▪Exports (Oct.)	307.0	250.8	2,465.1	2,255.6	+9.3
FINANCE (millions of $)					
▪Bank debits (Oct.)	7,654	7,209	64,865	60,913	+6.5
Bond sales (Oct.)	768.9	263.9	4,371.8	3,848.0	+13.7
Life insurance sales (Sept.)	84.7	86.4	873.2	886.8	—1.6
OTHER INDUSTRIAL FACTORS (000's omitted)					
Shoe prod. (Sept.)	2,811	2,862	23,709	27,428	—13.5
Cigarette cons. (no.) (Oct.)	1,429	1,524	13,012	12,450	+4.5

(2) All industries.
(1) Base period 1935-39=100.
▪New items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.

Government Bonds

Dec. 7, 1948 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ...	102¾	103¼
3	Mar. 1954 ...	103¾	104¼
3	Nov. 1956 ...	103⅜	104¼
3	May 1957 ...	102½	103¼
3	Jan. 1959 ...	101½	102¼
3	June 1960 ...	101	101¾
3	Feb. 1962 ...	100¼	101¼
1½	Nov. 1950 ...	100¼	100¾
3	Oct. 1963 ...	100¾	101
3	Sept. 1966 ...	100¾	101
1½	Nov. 1949 ...	100¼	100¾
Dom. of Canada Bonds:			
3½	Feb. 1952 ...	103¼	103¾
3	Oct. 1952 ...	100¾	101¾
3	June 1955 ...	101½	102¼
3	June 1958 ...	102	102¼
4½	Nov. 1959 ...	102½	103
3½	June 1966 ...	102¾	103¼
3	Perpetual ...	99¾	100
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	101	101¾
4½	Sept. 1951 ...	106¼	107¾
4½	Feb. 1956 ...	123	125½
4½	July 1957 ...	125	127
5	Oct. 1969 ...	107	108¼
5	Feb. 1954 ...	111¾	113
5	Feb. 1970 ...	107¾	109
4¾	June 1955 ...	123½	126
Can. Nat. W. Ind. S.S.:			
4¾	June 1955 ...	123½	125½

%	Due	Bid	Ask
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ...	109½	112
4	Jan. 1962 ...	120½	123
Montreal Harbour Comm.:			
5	Nov. 1969 ...	107¼	108½
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/64.	100¾	102¼
3½	June 1959 ...	108¾	111¼
3½	June 1950/72.	102	103¼
3½	June 1950/71.	100¾	102¼
British Columbia:			
2¾	Jan. 1967 ...	93¾	95¼
4½	Jan. 1969 ...	126	129
5	Apr. 1954 ...	120	123½
5	Sept. 1953 ...	107½	109
3	Dec. 1960 ...	98¾	100¼
4	Dec. 1957 ...	116	119
Manitoba:			
4	Dec. 1957 ...	116	118½
4½	Dec. 1956 ...	119	122½
5	Dec. 1959 ...	127	129½
2¾	Aug. 1962/64.	93¾	95¾
5½	July 1958 ...	116¾	119¼
New Brunswick:			
4½	Apr. 1961 ...	117	119½
5	Jan. 1960 ...	121½	123
2¾	June 1966 ...	90	91½
3½	Oct. 1960 ...	98½	99¾
Nova Scotia:			
3½	June 1956 ...	100¾	102½
4½	Nov. 1960 ...	123	125½
5	Mar. 1960 ...	127½	130
3	June 1956/58.	99½	101
2¾	Sept. 1966 ...	93½	95½
3½	May 1960/62.	99¾	101¼

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69.	94¼	95¼
3	Apr. 1962/65.	99¼	100¼
3½	May 1952/55.	102¼	103¼
4	June 1962 ...	121½	124
4½	June 1950 ...	103	104
4½	Jan. 1962 ...	127	129½
5	Dec. 1960 ...	130½	133
2¾	July 1967/76.	92½	95
Ont. Hydro Commission:			
4	Aug. 1957 ...	118	120½
2¾	June 1961/71.	93½	94½
2¾	Oct. 1956/68.	94	95¼
Prince Edward Island:			
4	Mar. 1951/54.	101	102½
Quebec:			
3½	Mar. 1954/59.	102½	104
3¾	Feb. 1952/55.	103	104½
4½	Aug. 1958 ...	108¾	110¼
4½	Jan. 1963 ...	113¾	115¼
3	Feb. 1960/62.	99¼	100¼
4	Nov. 1950/52.	102½	104
Quebec Hydro Commission:			
3	Feb. 1969/73.	97	98½
Saskatchewan:			
4	Nov. 1955/60.	99	101
5	Aug. 1958 ...	105½	107½
4½	Mar. 1960 ...	108	111
5	Dec. 1959 ...	111½	114½
5½	Oct. 1952 ...	104½	106½
6	Mar. 1952 ...	105¾	107½
3	Mar. 1963 ...	90	92
3½	Nov. 1960/62.	92	94
3¾	Feb. 1960/62.	96¼	97¾

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Dec. 7, 1948

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	68	71	67
†Assoc. Tel. & T.	5½	'55	110	..	110
Bell Telephone	3	'77	95	97	95
B.C. Electric	3½	'67	91½	93½	91
Calgary Power	3½	'72	95	...	95
East Kootenay	3½	'67	91½	94½	91
▲Gatineau Pr. D	3½	'70	98	...	98
*Do., C	3	'70	93	96	93
Gt. Lakes Pr.	3½	'67	95½	98½	95½
*Int. Hydro-El.	6	'44	66	69	66
L. St. Law. Power	3½	'65	95	...	95
Maclaren-Quebec Power	3	'69	94	97	94
†Mtl. Trams. A	5	'55	98	101	98
Nat. Lt. & Pr.	4½	'61	100	102	100
Nor. Que. Pr.	4½	'67	97	99	97
Ott. L.H. & Pr.	4	'57	100½	102½	100½
Power Corp.	3½	'67	93	95	93
Quebec Power	3	'62	96	99	96
Saguenay Pr.	3	'71	95	98	96
St. Maurice Pr.	3½	'70	95½	97½	96
Shaw W. & Pr.	3	'61	97½	99½	97½
Shaw W. & Pr.	3	'71	94	96	94
Do.	3½	'70	98	100	97½
Union Gas	4½	'50	100	102	100
Un. Fuel Invest.	4	'59	100	102	100
United Secs.	3	'52	99	101	98½
Winnipeg Elec.	3½	'71	102	104	102
Industrial Issues:					
Abitibi Pr. P.	3½	'67	97½	99½	97½
Acadia-Atlantic Sugar	3½	'65	100	102	100
Aluminum Co.	3½	'74	100	...	100
Bathurst P. & P.	3½	'68	98	101	98
B.C. For. Pdcts.	4	'66	90	92	90
B.C. Pulp & Pa.	3½	'67	94	97	94
Bowater's Nfld. P. & P.	3½	'68	95	97	95
Brampton Pulp & Paper	3½	'66	92	95	92
*Brown Co.	5	'59	101½	104½	103½
Burns & Co.	4	'63	96	99	96
Can. Steamship.	3½	'57	98½	101½	101
Can. Breweries	3½	'67	92	95	92
Can. Celanese	3	'62	96	...	96
Canadian Oil	3½	'62	97½	99½	97½
Can. West Lum.	4	'63	99	102	98
Chatco Stl. Pr.	4	'67	90	93	90
C.P.R.	3½	'51	102	104	102
Do.	4	'49	100	102	100
C.P.R.	4	Perp.	106	110	107
Cockshutt Plow Co.	4½	'65	98	100	98
Columbia Cell.	5	'68	98	100	98
Consol. Paper	3½	'67	100½	102½	100½
Dominion Coal	4½	'52	101	103	100½
Dom. Tar & Ch.	3½	'57	100½	102½	100½
Dom. Textile	3½	'59	102	104	102
Dom. Woollens	5	'64	100½	103½	100½
Dryden Paper	4	'61	99½	...	99½
E. B. Eddy	3½	'66	96½	...	96½
E. B. Eddy	4	'66	100½	102½	100½
English Electric	4	'67	95½	...	95
Federal Grain	4	'64	97	100	97
Gt. Lakes Paper	3½	'67	98	101	98
Imp. Tobacco	2¾	'66	94½	97½	94½
Indust. Accept.	3½	'68	93	96	93
Lake St. J. P.	5	'61	101	103	101
Lang, John A.	4½	'62	100	102	100
Laurentian Silk	4½	'67	99½	100½	99½
MacMillan (H.R.) Ex.	4	'65	100	...	100
Maple L. M.	3¾	'63	95½	98½	95
Massey-Harris	3	'66	93	96	93
Do.	4¾	'63	99½	101½	99½
McColl-Front.	3	'71	93	96	93
McCormicks	4	'52	100	...	100
Mercury Mills	4	'63	99	...	99
Monarch Knit.	4	'66	99	...	99
Morgan (Henry) Prop.	3½	'67	98	...	98
N.S. Steel Coal	3½	'63	96	99	96
Penman's	3½	'66	99½	101½	99
Price Bros.	3½	'66	98½	100½	98½
Silv. Dairies	4	'60-64	97½	100½	97½
Do.	4	'71	91	94	92
Simpsons Ltd.	3½	'60	101	103	101
Steel of Canada	2¾	'67	93	96	93
Tor. Elevators	3½	'66	98	...	98
United Corp.	4	'58	100	103	100
United Steel	4	'60	98	101	98
Untd. Grain Gr.	4	'63	99	...	99
†Western Grain	5	'63	75	78	75
York Knit. Mills	3½	'71	89	93	89

*Payable in Canada or United States.
†Payable in Canada, U. S. or U. K.
*Payable in United States.
‡Payable in Canada only.
▲Payable in Canada or U. K.

Company Meetings

1948	Company	Place
Dec. 9	Maple Leaf Mill.	Toronto
Dec. 9	Sherwin-Will.	Montreal
Dec. 13	Cassidy's Ltd.	Montreal
Dec. 14	Murphy Paint	Toronto
Dec. 16	Dom. Glass	Montreal
Dec. 16	Molson Brew.	Montreal
Dec. 17	So. Can. Power	Montreal
Jan. 9	Banque Candn. Nat.	Montreal
Mar. 21	Adelaide-Sheppard	Toronto

Investment Trusts

	Bid	Asked
Affiliated Funds	3.63	3.98
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.65	5.10
Can. Invest. Corp.	7.00	8.00
Commonwealth Int.	3.41	3.75
Corporate Invest.	8.59	9.25
Trans-Canada A	14.10	....
Do. B	....	14.80

Stock Redemptions

Company:	Rate	Date	Price
‡Mtl. Cottons pf.	7%	Dec. 31	40*

‡All outstanding shares.
*No accrued dividends.

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporations and Foreign Securities

DOMINION

Dominion of Canada Treasury Bills — Due Feb. 25, 1949, $75,000,000, issued Nov. 25, 1948. Sold at $99.89760 to yield .411%.

MUNICIPAL

City of Drummondville, Que.—2¾% and 3% debentures, due Dec. 1, 1949-58 68, $440,000, issued Nov. 22, 1948. Sold at $95.19 to Rene-T. Leclerc Inc., Banque Provinciale du Canada, Geoffrion, Robert & Gelinas Inc. and Dudley Dawson Ltd.

Greater Vancouver Water District, B.C. —3% and 3¼% debentures, due Dec. 15, 1950-73, $1,750,000, issued Nov. 25, 1948. Sold at $99.57 to Mills, Spence & Co. Ltd., Canadian Bank of Commerce and McLeod, Young, Weir & Co. Ltd.

School Commission of St. Etienne of la Malbaie, Que.—3% debentures, due Nov. 1, 1949-58, $108,000, issued Nov. 22, 1948. Sold at $98.926 to Banque Provinciale du Canada.

Town of Loretteville, P.Q.—3%, 3¼% and 3½% debentures, due Sept. 1, 1949-53-58-68, $62,000, issued Nov. 22, 1948. Sold at $98.72 to Savard, Hodgson & Co. Inc.

City of St. Hyacinthe, P.Q.—2¾%, 3% and 3¼% debentures, due July 1, 1949-53-58-68, $695,000, issued Nov. 22, 1948. Sold at $98.67 to Banque Canadienne Nationale, des Jardins, Couture Inc.; Mills, Spence & Co. Ltd. and Savard, Hodgson & Co. Inc.

Town of Windsor, Que.—2¾% and 3¼% debentures, due Nov. 1, 1949-58-63, $55,000, issued Nov. 22, 1948. Sold at $97.97 to Wood, Gundy Corp. Ltd. and Canadian Bank of Commerce.

Town of Dartmouth, N.S.—3% debentures, due Dec. 1, 1949 60, $210,000, issued Nov. 23, 1948. Sold at $99.39 to J. C. Mackintosh & Co. Ltd. and Royal Bank of Canada.

Town of Yarmouth, N.S.—2¾% debentures, due Dec. 1, 1949-60, $210,000, issued Nov. 25, 1948. Sold at $99.24 to Wood, Gundy & Co. Ltd.

School Trustees of Greenfield Park, Que. —3½% debentures, due May 1, 1949-64, $105,000, issued Nov. 25, 1948. Sold privately at $97.15.

Hotel Dieu Saint-Michel de Roberval, Que.—3%, 3¼% and 3½% debentures, due Nov. 1, 1949-53-58-63, $400,000, issued Nov. 25, 1948. Offered at $100 by Paul Gonthier & Co.

La Congregation des Freres de l'Instruction Chretienne — 3%, 3¼% and 3½% debentures, due May 1, 1949-53-58-63, $300,000, issued Nov. 25, 1948. Offered at $100 by Paul Gonthier & Co.

CORPORATE

Southern Canada Power — 3½% first mortgage bonds, series "C," due July 2, 1976, $2,500,000, dated Dec. 1, 1948. Sold at $101.35 and accrued interest to yield about 3.42% to Nesbitt, Thomson & Co. These bonds having been sold: This notice appears as a matter of record only.

Bond Tenders

12 noon, Dec. 9, 1948, Canada Treasury Bills—Dated Dec. 10, 1948, $75,000,000, payable Mar. 11, 1949.

Dividends Declared

	This payment $	Date payable	Date of record
Abitibi P. & P. 1st pf	.37½	Jan. 1	Dec. 1
Do. 2nd pf.	.62½	Jan. 1	Dec. 1
Acadia Atlantic	.25	Jan. 3	Dec. 10
Do. 5% pf.	1.25	Dec. 15	Nov. 20
Acme Glove	.25	Jan. 2	Dec. 15
Alum. of Can.	.25	Mar. 1	Feb. 2
Amer. Cyan.	†.31¼+.50sp.	Jan. 3	Dec. 1
Do. pf.	†.87½	Jan. 3	Dec. 1
Andian Nat.	†.20	Dec. 15	Dec. 3
		Coup. 37-xc	Dec. 14
Anglo-Huronian	.10	Jan. 28	Jan. 5
Asbestos Corp.	.30+.40	Dec. 21	Dec. 3
Ashdown Hdwre. A	.15	Jan. 1	Dec. 10
Do. B	.45	Jan. 1	Oct. 30
Do.	.15	Jan. 1	Dec. 10
Assoc. Tel. 6% pf.	†1.44	Dec. 21	Nov. 21
Do. 7% pf.	†1.68	Dec. 21	Nov. 21
Auto. Electric	.15	Dec. 15	Nov. 20
Do. A	.12½	Dec. 15	Nov. 20
Auto Fabrics A	.15	Jan. 2	Dec. 15
Do. B	.10	Jan. 2	Dec. 15
Avalon Tel.	1.75	Dec. 31	Dec. 15
Do. 5% pf.	.62½	Dec. 31	Dec. 15
Do. 6% pf.	.75	Dec. 31	Dec. 15
Do. 7% pf.	.87½	Dec. 31	Dec. 15
R. M. Ballantyne pf.	1.25	Jan. 3	Dec. 15
Bank of Toronto	.20 ext.	Jan. 3	Nov. 15
Bank of N. Scotia	.20 ext.	Jan. 3	Dec. 16
Bk. of Montreal	.20 ext.	Jan. 3	Nov. 30
Barber Ellis	.25+.12½	Dec. 15	Nov. 30
Do. pf.	1.75	Jan. 15	Dec. 31
Beatty Bros.	.75	Jan. 3	Dec. 15
Beaver Lumber	.50	Feb. 1	Jan. 10
Do. A	.25	Jan. 2	Dec. 10
Do.	.25	Apr. 1	Mar. 10
Do.	.25	Jul. 2	Jun. 10
Do. pf.	.35	Jan. 3	Dec. 10
Do.	.35	Apr. 1	Mar. 10
Do.	.35	Jul. 2	Jun. 10
Beld.-Cort.	‡1.00	Jan. 3	Nov. 30
Belgium Glove	.15	Jan. 3	Dec. 14
Do. pf.	.25	Jan. 3	Dec. 14
Borden Co.	†.75	Dec. 21	Dec. 6
Brazilian Tr.	1.00	Dec. 15	Oct. 22
B. A. Oil	.25	Jan. 3	Dec. 7
Do. pf.	.234375	Jan. 3	Dec. 7
Bell Tel. N.	.50	Jan. 15	Dec. 15
B. C. Elec. pf.	1.00	Jan. 3	
		Coup. 7-xc	Dec. 30
B. C. Elec. Rlwy.	2½%	Jan. 15	Dec. 31
B. C. Forest	.15	Feb. 1	Jan 29
B. C. Power A	.40	Jan. 15	Dec. 31
Brazilian pf.	1.50	Jan. 3	Dec. 15
Bruck Mills A	*.30	Dec. 15	Nov. 15
Do. B	*.07½	Dec. 15	Nov. 15
Building Products	.40	Jan. 3	Dec. 9
Burlington Steel	.15+.25	Jan. 3	Dec. 10
Burrard A	.11	Dec. 15	Nov. 27
Butterfly Hose.	.35+.15	Dec. 15	Nov. 15
Do. pf.	3.50	Jan. 31	Dec. 31
Can. Bread 1st pf.	1.12½	Jan. 3	Dec. 9
Do. B pf.	.62½	Jan. 3	Dec. 9
Can. Cement pf.	.32½	Dec. 20	Nov. 19
Can. Crushed Stone	.10	Dec. 20	Dec. 1
Do. ext.	.10	Jan. 3	Dec. 1
Canada Dry	†.15	Jan. 1	Dec. 8
Do. pf.	†1.06¼	Jan. 1	Dec. 8
Can. Flooring B	*.15	Jan. 3	Dec. 17
Can. F'ndries A	.46 ext.	Jan. 5	Dec. 15
Do. B	1.50 ext.	Jan. 5	Dec. 15
Can. Machine	.25	Dec. 28	Dec. 15
Can. Malting	.50+.50	Dec. 15	Nov. 15
		Coup. 84-xc-14	
Can. Nor. Pwr.	.15	Jan. 25	Dec. 20
Can. Steamship pf.	1.25	Jan. 3	Dec. 3
Can. Perm. Mtge.	2.00	Jan. 3	Dec. 15
Can. Trust	3.50	Jan. 3	Dec. 15
Candn. Bakeries	*.20	Jan. 3	Dec. 15
Candn. Brew.	.50	Jan. 1	Nov. 30
Can. W. & Cable A	1.00	Dec. 15	Nov. 30
Do. B	.75	Dec. 15	Nov. 30
Can. Bk. of Com.	.20ext.	Jan. 3	Nov. 30
Candn. Can.	.31¼	Jan. 3	Dec. 8
Do. 1st pf.	.25+.05	Jan. 3	Dec. 8
Do. 2nd pf.	.15+.10	Jan. 3	Dec. 8
Candn. Bronze	.25+.25	Feb. 1	Jan. 10
Do. pf.	1.25	Feb. 1	Jan. 10
Candn. Cel.	1.75	Dec. 31	Dec. 8
Do. 1st pf.	.43¾	Dec. 31	Dec. 8
Do. 2nd pf.	.25	Dec. 31	Dec. 8
Candn. Cot.	.70	Jan. 3	Dec. 7
Do. pf.	1½%	Jan. 3	Dec. 7
Candn. For. Inv.	.75	Jan. 3	Dec. 2
Candn. Food	.18¾	Jan. 1	Nov. 30
Do. A	.25	Jan. 1	Nov. 30
Do. pf.	1.12½	Jan. 1	Nov. 30
Candn. Gen. Elec.	2.00	Jan. 1	Dec. 15
Candn. Gen. Invest.	.20	Jan. 15	Dec. 31
Can. G. Sec. A & B	1.50	Jan. 3	Dec. 15
Candn. Ing.-Rand	1.50	Dec. 21	Dec. 7
Candn. Malartic	.02	Dec. 10	Nov. 18
Candn. Oil 4% pf.	1.00	Jan. 2	Dec. 10
Do. 5% pf.	1.25	Jan. 2	Dec. 10
Do. 8% pf.	2.00	Jan. 2	Dec. 10
Candn. Westinghse.	.50	Jan. 1	Dec. 15
Candn. Wirebound	.37½	Jan. 3	Dec. 10
Candn. Ice Mach. A	.20	Jan. 1	Dec. 15
Candn. Foundries A	.37½	Dec. 15	Nov. 26
Do. B	1.50	Dec. 17	Nov. 26
Candn. For. Inv.	.75	Jan. 3	Dec. 2
Candn. Mot. Lamp	.15	Dec. 15	Nov. 25
Cardy Corp. A	.35	Jan. 10	Dec. 20
Carnation	†.50	Dec. 27	Dec. 7
Do. pf.	†.93¾	Jan. 2	Dec. 15
Cassidys pf.	1.75	Jan. 3	Dec. 3
Chart. Trust	1.25	Jan. 3	Dec. 15
Chesterville M.	.05	Jan. 15	Dec. 30
Cockshutt Plow	‡.20	Mar. 1	Feb. 1
Do.	‡.20	June 1	May 1
Com. Alcohol	.05	Jan. 15	Dec. 31
Do. pf.	.10	Jan. 15	Dec. 31
Coniaurum M.	.03	Dec. 10	Nov. 15
Confederation Life	1.50	Dec. 15	Dec. 10
Cons. Div. Sec. pf.	1.00	Jan. 3	Nov. 30
Cons. Litho.	.50+.20	Dec. 30	Nov. 30
Cons. Paper	.50+.75	Jan. 17	Dec. 4
Consol. Press A	.16¼	Jan. 1	Dec. 15
Copeland Flour	1.50	Jan. 2	Dec. 15
Craig Bit	.25	Jan. 3	Dec. 20
Do. pf.	.25	Feb. 1	Jan. 18
Crown Trust	1.25	Jan. 3	Dec. 18
David & Frere A	.25+.50	Dec. 31	Dec. 15
Distill. Seagrams	.25	Dec. 15	Dec. 8
Dom. Glass	.25+1.00	Jan. 15	Dec. 28
Do. pf.	.35	Jan. 15	Dec. 28
Dom. Malting pf.	1.25	Feb. 1	Jan. 7
Dom. Steel	.35	Jan. 3	Dec. 10
Dom. Stores	.37½	Dec. 15	Nov. 18
Dom. St. & C. B	.25spec.	Dec. 16	Nov. 16
Dom. Tar	.25	Feb. 1	Jan. 3
Do. pf.	.25	Jan. 3	Dec. 1
Donnell & Mudge	.20	Jan. 1	Dec. 15
Do. A	.25	Jan. 1	Dec. 15
Dunlop Tire pf.	.62½	Dec. 31	Dec. 15
East Can. S. & Loan	1.50	Jan. 12	Dec. 20
Eastern Trust	.20	Jan. 12	Dec. 20
Easy Washing	.25+.25	Jan. 3	Dec. 15
Eddy Paper A	.25	Dec. 15	Nov. 15
Enamel & Heat.	.50	Jan. 31	Dec. 31
Electrolux	†.70	Dec. 17	Nov. 19
Estabrooks pf.	.26	Jan. 13	Dec. 15
Evans Coleman A	.15	Jan. 3	Dec. 23
Do. B	.05	Jan. 3	Dec. 23
Falconbridge M.	.15+.10	Dec. 10	Nov. 20
Famous Players	.25	Dec. 24	Dec. 10
Fanny Farmer	†.37½+.50	Dec. 21	Dec. 11
Fashion Craft pf.	1.25	Jan. 2	Dec. 20
Fibre Prod.	.20	Dec. 22	Dec. 1
Fittings A	.30	Jan. 1	Dec. 6
Ford A & B	.25+.25	Nov. 26	Nov. 5
Foundation	.35	Jan. 20	Dec. 31
Gatineau Pwr.	.30	Jan. 1	Dec. 1
Do. 5% pf.	1.25	Jan. 1	Dec. 1
Do. 5½% pf.	1.38	Jan. 1	Dec. 1
Golden Manitou M.	.05	Jan. 3	Dec. 10
Gord. Mackay A	.12½	Dec. 15	Nov. 15
Do. B	.12½+.12½	Dec. 15	Nov. 15
Goodyear Tire	.50	Dec. 31	Dec. 10
Grafton A	.25	Dec. 15	Nov. 25
Grand'mere A	.32	Feb. 15	Jan. 31
Gt West Felt pf.	.12½	Jan. 1	Dec. 20
B. Greening Wire	.05	Jan. 3	Dec. 1
Gt. West Life	3.75	Jan. 3	Dec. 20
Grey & Bruce Tr. & Sav.	3½%	Dec. 20	Dec. 15
Gt. West Sad. pf.	.75	Dec. 28	Nov. 3
Gypsum, Lime	.25	Mar. 1	Feb. 1
Do. spec.	.25	Mar. 1	Feb. 1
Do.	.25	Jun. 1	May 2
Do.	.25	Sep. 1	Aug. 1
Do.	.25	Dec. 1	Nov. 1
Hahn Brass	.30+.20	Jan. 1	Dec. 8
Do. pf.	.50+.20	Jan. 1	Dec. 8
Hart Battery	.10+.20	Jan. 11	Dec. 11
Harding Carp.	.20+.10	Jan. 3	Dec. 15
Highland Bell	.05	Jan. 15	Dec. 24
Hince & Dauch	.25	Jan. 2	Nov. 30
Hollinger M.	.06	Dec. 29	Dec. 1
Home Oil	.25	Dec. 15	Nov. 10
F. W. Horner A	.12½	Jan. 3	Dec. 1
How. Smith	.50	Jan. 30	Dec. 31
Do. pf.	.50	Jan. 20	Dec. 31
Huron & Erie Mtge.	1½%	Jan. 3	Dec. 15
Hubbard Felt	.25	Jan. 1	Dec. 8
Do. A	.75	Jan. 1	Dec. 8
Hydro Elec Secs. p.	.25	Feb. 1	Dec. 30
Hudson B. M.	1.00+1.00	Dec. 13	Nov. 12
Ind. Accept.	.37½	Dec. 31	Dec. 10
Do. 4½% pf.	1.06¼	Dec. 31	Dec. 10
Do. 5% pf.	1.25	Dec. 31	Dec. 10
Ind. Mtge.	1.25+.75	Jan. 2	Dec. 15
Int. Coal	.01¼	Dec. 15	Dec. 1
Int. Bronze pf.	.37½	Jan. 15	Dec. 15
Int. Nickel	†.40+.40	Dec. 20	Nov. 22
Int. Metal A	.40	Jan. 3	Dec. 7
Do. pf.	1.12½	Jan. 3	Dec. 7
Imp. Tobacco	.10	Dec. 31	Nov. 16
Do. 4% pf.	.25	Feb. 1	Dec. 21
Do. 6% pf.	[illegible]	[illegible]	[illegible]
Int. Paints pf.	[illegible]	[illegible]	[illegible]
Int. Pap.	[illegible]	[illegible]	[illegible]
Do. pf.	[illegible]	[illegible]	[illegible]
Invest. Found. pf.	[illegible]	[illegible]	[illegible]
Isle. Mt. Mines	[illegible]	[illegible]	[illegible]
Jam. Pub. Ser.	[illegible]	[illegible]	[illegible]
Do. pf.	[illegible]	[illegible]	[illegible]
Kelvinator	[illegible]	[illegible]	[illegible]
J. Labatt	[illegible]	[illegible]	[illegible]
Lake Dufault M.	[illegible]	[illegible]	[illegible]
Lake Shore M.	[illegible]	[illegible]	[illegible]
Lamaque G. M.	[illegible]	[illegible]	[illegible]
Lambton Loan	[illegible]	[illegible]	[illegible]
J. A. Lang	[illegible]	[illegible]	[illegible]
Lewis Bros.	[illegible]	[illegible]	[illegible]
M. Loew's	[illegible]	[illegible]	[illegible]
Lon. Can. Inv. 5% pf.	[illegible]	[illegible]	[illegible]
London Hos.	[illegible]	[illegible]	[illegible]
Do. A	[illegible]	[illegible]	[illegible]
Louisiana Land	[illegible]	[illegible]	[illegible]
W. H. Lowney	[illegible]	[illegible]	[illegible]
MacK. Steel	[illegible]	[illegible]	[illegible]
Do. ext.	[illegible]	[illegible]	[illegible]
MacMillan A & B	[illegible]	[illegible]	[illegible]
Mailman Corp.	[illegible]	[illegible]	[illegible]
Maritime Tel.	[illegible]	[illegible]	[illegible]
Do. pf.	[illegible]	[illegible]	[illegible]
L. McBrine	[illegible]	[illegible]	[illegible]
Maple Leaf Mills	[illegible]	[illegible]	[illegible]
Massey-Harris	[illegible]	[illegible]	[illegible]
McCarthy Mill.	[illegible]	[illegible]	[illegible]
McColl-Front.	[illegible]	[illegible]	[illegible]
McIntyre Porc. M.	[illegible]	[illegible]	[illegible]
McLennan McFeely & Prior	[illegible]	[illegible]	[illegible]
Melchers Dist.	[illegible]	[illegible]	[illegible]
J. S. Mitchell	[illegible]	[illegible]	Dec. 15

Market Comment

What stocks and bonds are doing and what prominent observers say

Markets moved in a narrow range this week, with western oils "backing and filling." At early midweek the Toronto Stock Exchange western oil index was down 5.33 points from the 11-year high established early last week. The setback was mainly of a technical nature, and buying power could return quickly on news of further oil discoveries on outlying wildcats. Oil speculators were eagerly awaiting news on Socony-Vacuum's and Hanna Oil's recent discovery wells near Hanna, Alta., and Imperial Oil's Redwater No. 3 well.

U. S. industrial markets improved moderately during the week. The Dow-Jones industrial average now gives the appearance of having formed a strong base within the 167-173 area. It will take more than the increasing evidence of dropping sales in some lines of consumers' goods to break this resistance area over the next few months, analysts think. Adverse tax legislation which could affect corporation earnings or sudden worsening in the Berlin situation might do it.

Investors are not expecting much in the way of important market recovery until the last week of December or first week of January, when traditionally, there is a fresh burst of enthusiasm for the new year. Tax selling will be out of the way then also. Not only has year-end selling in the United States come from people who were trying to reduce income tax by establishing losses, but it has come also from those who wanted to establish profits just in case taxes should be increased next year. Big U. S. market stress is on legislation to come out of the re-convened Truman Congress in January.

• • •

J. ERNEST SAVARD: Savard & Hart (Montreal)

Recent market unsteadiness has stemmed from uncertainty, rather than from actual bad news. Two of the main obstacles to higher stock prices should be removed when

(a) The new U. S. Congress assembles in January and specific programs are outlined by President Truman.

(b) The Minister of Finance brings in his budget.

Clarification of doubts about controls, taxes and general governmental policies should bring about a rising market in the new year. Most promising stock groups are the base-metal producers, the oils and the food manufacturers. Pulp and paper companies are also likely to show good earnings for some time yet.

• • •

C. F. W. BURNS: Burns Bros. & Co. (Toronto)

Business conditions in Canada and the United States remain excellent and, although there appears to be indications of a buyers' market in certain lines, this condition is not prevalent. The outlook for most businesses remains good, and earnings in general should be maintained at a satisfactory level for some time to come.

The future outlook for the stock market hinges largely on developments in the field of international affairs. The stock-piling program of the United States has lifted base-metal prices to a high level, and this demand should continue for some time yet. Whether we are to have peace or war, oils and base metals appear most attractive on the Canadian stock market.

For a long-term hold I would select such stocks as Imperial Oil, Home Oil, Consolidated Smelters, Hudson Bay Mining & Smelting and Noranda.

• • •

TRENDS & TIMING (Toronto)

The gross earnings picture for 1948 is particularly bright and will, unquestionably, set a new high, but behind this rosy glow there is a noticeable change taking place, particularly in the United States, and we expect the pattern will eventually develop here. Net earnings of a number of well-known companies have turned very spotty. A comparison of the sales of 20 odd companies for the first nine months of this year with the same period in 1947, shows some advances and some declines, the range being all the way from a gain of 22% to a loss of 31%. Net earnings of these same companies have, in every case, dropped from 3% to as much as 66% below the 1947 comparable figures.

• • •

THOMSON & MCKINNON (New York)

It is generally recognized that the level of corporate profits in 1948 will attain a new peak. Despite this situation and even though it has been accompanied by a rather significant gain in corporate dividend distributions, stock prices in general have not responded. There are probably many reasons for this situation but one of them which has received insufficient attention relates to the physical volume of production. On the basis of the latest index of industrial production, the physical output of goods in September this year was only slightly higher than the 1947 annual average, with the figures being 192 and 187 respectively. Therefore, while it is true that the physical output of goods this year has been very high, it is also true that the present level is under the average level for 1942 and that the rate of gain between 1947 and 1943 has been moderate. In other words most of the gain in corporate profits presumably has come not from increases in physical production, but rather from advances in selling prices and inventory profits.

• • •

BARRON'S: The Trader (New York)

Business recession differs from a full-fledged depression. The latter implies strained credit and swollen inventories or both. Neither condition prevails except possibly with some marginal companies. The more immediate the business readjustment, the less danger there is of drastic controls or taxes. Washington has no desire to replace an upward with a downward spiral. In the stock market, depression, not boom, conditions prevail. The fundamental factors of yields and earnings and book values have always, in the past, finally overcome, at the time of apparent crisis, the fear emotion; and there is no reason to suppose that history will not, in due course, repeat itself.

Dividends Declared (Con.)

	This payment $	Date payable	Date of record
Do. extra	1.00	Dec. 15	Dec. 3
Robt. Mitchell	.25+.25	Dec. 15	Nov. 15
Minas Basin P. & P.	.37½	Jan. 3	Dec. 15
Mod. Containers	.50	Dec. 24	Dec. 13
Do. A	.25	Jan. 3	Dec. 20
Molsons	.50 ext.	Jan. 11	Dec. 16
Monarch Life 30% pf.	6%	Jan. 3	Dec. 17
Mtl. City & Sav. Bk.	.35	Jan. 3	Dec. 1
Mtl. Trust	1.00	Jan. 15	Dec. 31
Mtl. Tel.	.50	Jan. 15	Dec. 15
Mtl. Cottons pf.	.43	Dec. 15	Nov. 15
Monarch Knit.	.25	Jan. 3	Nov. 30
Do. pf.	1.12½	Jan. 3	Nov. 30
Mtl. Refrig.	.95	Dec. 16	Dec. 2
Do. pf.	1.50	Dec. 16	Dec. 2
Moore Corp.	.75+.45	Jan. 3	Dec. 1
Do. 4% pf.	.25	Jan. 3	Dec. 1
Do. A & B pf.	†1.75	Jan. 3	Dec. 1
Morrow Screw	.75	Dec. 15	Dec. 6
Do. pf.	1.00	Jan. 1	Dec. 20
Nat. Biscuit	†.40+.40	Jan. 14	Dec. 7
Nat. Brew.	.50	Jan. 3	Dec. 10
Do. pf.	.43	Jan. 3	Dec. 10
Nat. Hosiery A	.15	Jan. 1	Dec. 3
Do. B	.30	Jan. 1	Dec. 3
Nat. Steel Car	.37½+.25	Jan. 15	Dec. 15
Nat. Trust	.25	Jan. 3	Dec. 15
New Calumet M.	*.10	Jan. 14	Jan. 5
Niagara W. W.	.40+.40	Jan. 3	Dec. 3
Noranda	1.00	Dec. 15	Nov. 25
North. Emp. M.	.07	Nov. 19	Oct. 30
Nor. Que. Pwr. pf.	1.25	Dec. 1	Nov. 20
North Star Oil	.08¾	Jan. 3	Dec. 11
Nova Scotia Lt.	.25	Jan. 3	Dec. 14
Nor. West Brew.	.13+.10	Jan. 7	unstat.
Ogilvie Flour	.25	Jan. 3	Nov. 24
Ont. Beauty S'ply p.	.25	Jan. 3	Dec. 20
Ont. Loan	1.25	Jan. 3	Dec. 15
Ont. Steel	.25+.25	Feb. 15	Jan. 14
Do. pf.	[illegible]	[illegible]	[illegible]
Ott. Elec. Rlwy.	[illegible]	[illegible]	[illegible]
Ott. L. H. & Pr.	[illegible]	Jan. 1	Dec. 6
Do. pf.	1½%	Jan. 1	Dec. 6
John Palmer A	.12½	Jan. 21	unstat.
Page-Hersey	.45	Jan. 2	Dec. 15
Paton Mfg.	.20	Dec. 15	Nov. 30
Do. pf.	.35	Dec. 15	Nov. 30
Peller Brew. pf.	▪1.03½	Dec. 15	Nov. 30
Penmans	.75	Feb. 15	Jan. 17
Do. pf.	1.50	Feb. 1	Jan. 17
Placer Dev.	.25	Dec. 10	Nov. 19
Powell River	.40	Dec. 15	Nov. 24
		coup. 16xc-14	
Do. ext.	.65	Dec. 15	Dec. 14
Power Corp.	.35	Dec. 31	Nov. 19
Do. 1st pf.	1.50	Jan. 15	Dec. 20
Do. 2nd pf.	.75	Jan. 15	Dec. 20
Preston E. D. M.	.01½	Jan. 15	Dec. 15
Price Bros. pf.	2.00	Jan. 1	Dec. 1
Provincial Pap. pf.	1%	Dec. 15	Dec. 4
Proprietary M.	.03	Jan. 6	Dec. 10
Que. Manitou M.	.02	Jan. 3	Dec. 10
Que. Power	.25	Feb. 25	Jan. 17
Remington Rand	†.25	Jan. 3	Dec. 9
Do. pf.	†1.25½	Jan. 3	Dec. 9
Riverside A	.50	Jan. 2	Dec. 13
Do. B	1.00	Dec. 15	Dec. 5
P. L. Robertson	.50	Jan. 1	Dec. 20
Do. pf.	.62½	Jan. 1	Dec. 20
Robinson Cot.	.10	Feb. 1	Jan. 3
Robin. Jones pf.	3.00	Jan. 3	Dec. 15
Rolland Paper pf.	1.06¼	Dec. 15	Dec. 1
Russell Ind.	.17½	Dec. 28	Dec. 7
Do. pf.	1.75	Dec. 28	Dec. 7
Saguenay Pwr. pf.	‡1.06	Jan. 1	Dec. 8
Sarnia Bridge	.20+.20	Dec. 15	Nov. 30
Schultz Die Cast. pf.	.68¾	Jan. 3	Dec. 15
Scythes ext.	.18	Jan. 5	Dec. 15
Shawinigan pf.	.50	Jan. 2	Dec. 2
Sherwin-Will. pf.	1.75	Jan. 3	Dec. 10
Sheep Creek M.	.02	Jan. 15	Dec. 31
Sicks Brew.	.25+.30	Dec. 31	Dec. 1
Sigma M.	.25	Jan. 29	Dec. 29
Silknit Ltd.	.15	Dec. 15	Dec. 1
Do. pf.	.50	Dec. 15	Dec. 1
Silverwood's A	.15	Jan. 3	Dec. 3
Silverw'd's W.D. p.	1.25	Jan. 3	Dec. 10
Simpsons pf.	1.12½	Dec. 15	Nov. 15
So. Can. Pwr.	.30	Feb. 15	Jan. 20
Do. pf.	1.50	Jan. 15	Dec. 20
Sover'n L. 20-25% pd	6.00	Dec. 15	Dec. 1
Springer Sturg. M.	.03	Jan. 5	Dec. 15
Stedman Bros.	.15	Jan. 3	Dec. 15
Stovell Press	*.12½	Jan. 15	Dec. 31
Sterling Trusts	1½%	Jan. 3	Dec. 15
Super Serv. Stores	.11¼	Dec. 15	unstat.
Sylvanite Gold	.01½	Jan. 3	Oct. 30
Taylor-Pear.	.25	Jan. 2	Dec. 11
Tamblyn	.25+.45	Jan. 3	Dec. 10
Do. pf.	.50	Jan. 3	Dec. 10
Teck-Hughes M.	.05	Feb. 1	Dec. 11
Tooke Bros.	.10	Jan. 3	Dec. 15
Tor. Gen. Trust	1.75	Jan. 3	Dec. 10
Tor. Mtge.	1.25	Jan. 3	Dec. 15
Traders Fin. A & B N.	.25+.25	Jan. 3	Dec. 15
Do. pf.	1.12½	Jan. 3	Dec. 15
Tri-West Pet.	.02½	Dec. 15	Nov. 15
Tip Top Tail.	.15	Jan. 3	Dec. 1
United Bd. & Sh.	.25+.20	Jan. 15	Dec. 31
United Fuel A pf.	.75	Jan. 3	Dec. 10
United Serv. 7% pf	.17½	Jan. 2	Dec. 2
United Steel	.12½	Dec. 30	Nov. 15
Verney pf.	.56	Jan. 1	Dec. 10
Viau Ltd.	.25	Jan. 3	Dec. 10
Do. pf. 5%	1.25	Jan. 3	Dec. 10
Viceroy	.12	Dec. 15	Dec. 1
Wabasso Cot.	.25	Jan. 3	Dec. 11
Waite Amulet	.50	Dec. 10	Nov. 24
Hiram Walker	.50	Dec. 15	Nov. 19
Waterloo Trust	2.75	Jan. 3	Dec. 24
Waterous	.20	Jan. 15	Dec. 31
Westeel	.50+1.00	Dec. 15	Nov. 25
West. Grocers A	.50	Jan. 15	Dec. 15
Do. pf.	.33	Jan. 15	Dec. 15
Geo. Weston	.25	Jan. 3	Dec. 10
Wilsils	.25	Jan. 3	Dec. 1
J. C. Wilson	.15	Dec. 15	Dec. 10
Winnipeg Elec.	.50	Dec. 31	Nov. 15
Do. pf.	2.50	Dec. 31	Nov. 15
Woods Mfg.	.50	Dec. 17	Nov. 17
Wool Combing	.40	Jan. 10	Dec. 24
Wright-Harg.	.03½	Jan. 3	Nov. 26
York Knit. A	.20	Dec. 31	Dec. 18
Zellers	.37½+.50	Feb. 1	Jan. 15
Do. 5% pf.	.31¼	Feb. 1	Jan. 15
Do. 6% pf.	.37½	Feb. 1	Jan. 15

†N. Y. funds. *Initial.
‡Net after deducting C.I.T.
‡Payable 1949. ▲Extra.
▪Eliminating arrears.
♦On arrears.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

NEW CALUMET MINES net profit jumped $532,306 to $909,370 in fiscal year ended Sept. 30, reflecting higher prices for lead and zinc prevailing during the year. Metal production was nearly $900,000 above the preceding year.

Chief development was concentrated on sinking the No. 3 shaft from the 600-ft. level to 1,500 ft., to allow opening of new levels at 150-ft. intervals below 600 ft. Lateral development on upper levels consisted mainly of connecting Nos. 1 and 2 shafts on the 500-ft. level and drifting west on the 600-ft. level along the main ore zone.

Working capital showed an increase from $511,627 at Sept. 30, 1947, to $1,093,625 at Sept. 30, 1948. Noninterest bearing notes due Nov. 6, 1951, of $302,311, were redeemed Sept. 27, liquidating all long-term indebtedness (which totalled $1,157,311 some five years ago).

The contract with the smelter in Belgium has been completed and lead concentrates produced since July 1, 1948, have been shipped to the Consolidated Mining & Smelting plant at Trail, B.C. Zinc concentrates are still being shipped to the United States.

The company incorporated Cadieux Mines, to take over options held on zinc properties in Renfrew County, Ont.

INCOME ACCOUNT

Years Ended Sept. 30:	1948	1947
Production	3,051,763	$2,153,783
Less: Mktg. chgs.	289,815	257,825
Oper. expenses	1,512,582	1,313,281
Oper. profit	1,249,366	582,682
Add: Interest	4,744	......
Asset sale	16,311	......
Less: Deprec.	61,324	42,026
Int. & disc.	......	23,598
Incorp. expense w/o	2,616	......
Prov. for taxes	297,111	139,994
Net prof. & surp.	909,370	377,064
Earnings per share	$0.260	$0.108
None paid.		

CONSOLIDATED BALANCE SHEET

As at Sept. 30:	1948	1947
Cash & metal rec.	$1,218,403	$584,117
Accts. rec.	6,475	7,435
Supplies	189,939	172,007
Total curr. assets	1,414,817	763,559
Invest.	15,000	9,000
Prep. expense	16,386	24,656
Mining claims	512,764	512,764
Bldgs., mach., etc.*	237,787	170,456
Total assets	2,196,754	1,180,435
Accts., etc., pay.	106,192	108,932
Taxes pay.	215,000	103,000
Total curr. liabs.	312,192	211,932
Notes payable	......	302,311
Capital stock	510,487	510,487
Surplus	1,365,075	455,705
*After depr. of	1,052,721	1,009,497
Working capital	1,093,625	551,627

OPERATING STATISTICS

	1948	1947
Tons milled	193,647	182,020
Average recov.	$15.76	$11.83
Ore reserves, tons	986,270	902,492
Grade: Zinc, %	8.80	8.90
Lead, %	2.30	2.60
Silver, oz.	5.36	5.11
Gold, oz.	0.035	0.031

New Highs & Lows

During the week ended Dec. 4, 20 new highs were recorded among the general stocks on Canadian Stock Exchanges and 21 new lows. In the mining group there were 7 new highs and 20 new lows; 32 new highs among the western oils and one new low.

GENERAL

New Highs—1948

Beatty Bros.
Candn. Gen. Sec. A
C. Westinghouse
Cons. Textiles
Intercolonial Coal
Kelvinator
McCabe Grain B
Nuclear Enterpris's
Ogilvie Flour pf.
Quebec Power
Reliance Grain
Sick's Brew. V.T.
Standard Radio
Stovel Press pf.
Stowell B
Supertest Pet. ord.
United Distillers
United Fuel A
Willson Stat.
Winnipeg Electric

New Lows—1948

Burrard D.D. A
Candn. Food pfd.
Consumers Glass
Dom. Dairies pf.
Dom. Electrohome
Esmond Mills
Famous Players
Hunts A
Do. B
Ind. Accept.
John Labatt
Mailman Corp. pf.
Mercury Mills
Modern Tool
Morrison Brass
Rolland Paper pf.
St. Law. Flour
Stovel Press pf.
Thrift Stores
Traders Fin. A N.
Do. B N.

MINING

New Highs—1948

Chromium
Gold. Man.
Hugh Mal.
N. Calumet
N. Jason
Piccadilly P.
Westville

New Lows—1948

Anglo-Rouyn
Astoria Quebec
Beatrice
Bidgood
Cons. Duq.
Eureka
Jack Lake
L. Rowan
Lake Shore
Malartic G.
Mylamaque
N. Louvre
N. Rouyn
Ogama R.
Osulake
Pen-Rey
Placer Devel.
Porc. Reef
Wekusko
Yellorex

OILS

New Highs—1948

Alta. P. Cons.
Anglo-Can.
Alliance
Atlantic
Brit. Dom.
Cent. Leduc
Coastal
Commoil
Commonwealth
Davies
Decalta
East Crest
Globe
Grease Creek
Hanna
Home
Leduc Cal.
Leduc Cons.
Model
National
Pacific P.
Do. rts.
Phillips
Roxana
Royal Ca.
Share Roy.
Spooner
Superior
United Oils
Vanalta
Vulcan
Warner

English Elec. Sales Jump 26% Demand Heavy

An unprecedented demand for heavy electrical equipment is resulting from the need for greater central station capacity throughout Canada, Crawford Gordon, Jr., president of English Electric Co. of Canada, St. Catharines, reports.

"At present," Mr. Gordon told The Financial Post this week, "we are operating at top production on rotating equipment, power and rural transformers, switchgear, and the many other products which are required to generate and transmit electrical power. All indications are that this demand is likely to continue for some considerable time."

English Electric sales for the first 10 months of this year are up 26% over the same period for 1947, and production is matching the sales trend. Mr. Gordon believes the sales and production curve will continue to rise.

In view of the world currency situation, and more specifically considering the great need for electrical equipment in Canada, said Mr. Gordon, English Electric export business has been greatly curtailed.

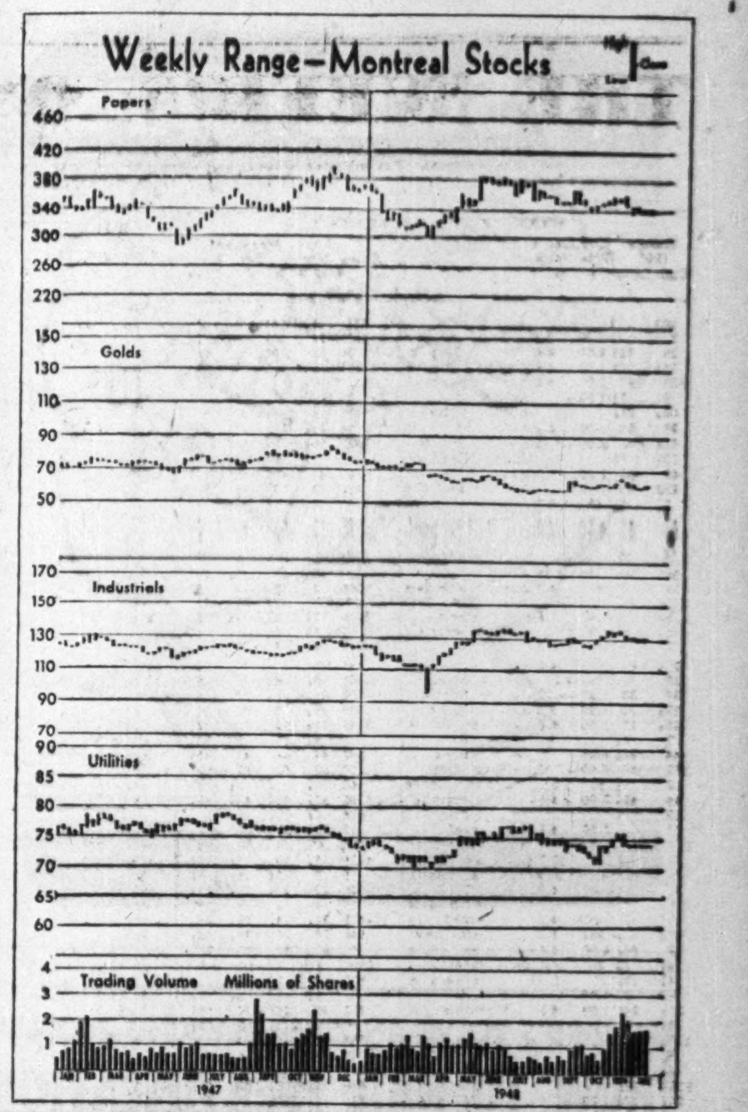
"We have enquiries every day from overseas," he said, "but it is simply impossible to consider any volume of foreign business at the present time—much as we would like to."

As of Oct. 31, the backlog of orders on hand at English Electric had increased by 20% over the figure for Jan. 1. Production capacity of the plant is limited by the supply of steel—which is not available in sufficient quantity to meet requirements.

"The present high volume of business in our industry will continue at least until the end of 1949," Mr. Gordon declared.

INTERNATIONAL NICKEL CO OF CANADA has declared the regular quarterly dividend of $1.75 per $100 par preferred share, payable Feb. 1 to shareholders of record Jan. 3.

RUPUNUNI GOLD MINING CO. (CANADA) has not received payment for Nov. 24 installment of 100,000 shares at 25 cents and balance of agreement with Barima Gold Mining Co. (Canada) has been cancelled.



Continental Oil Freed From Suit

From Our Own Correspondent

CALGARY—Continental Oil Co. of Canada has been struck out as a co-defendant in the $400,000 action brought by Manoir Investments Ltd., Montreal, against Fred A. Schultz et al, by an order granted in Supreme Court chambers.

A further order was granted to release 800,000 of the 1,200,000 shares of Continental Oil stock from an injunction previously granted and further argument will be held as to the validity of the injunction against the remaining shares.

Manoir Investments filed a statement of claim against Schultz under an alleged contract for 400,000 shares of Continental stock or $400,000 as damages or for services rendered in assisting in the financing of the oil company.

CANADIAN MUNICIPAL AND CORPORATION SECURITIES
F. H. DEACON & CO.
Business Established 1897
Members Toronto Stock Exchange
197 BAY ST. — TORONTO 1 — ELGIN 3401

J. E. GRASETT & CO.
Members The Toronto Stock Exchange
244 BAY STREET, TORONTO WA. 4781
BRANCH
3030 DUNDAS ST. W. (opposite High Park Ave.) JU. 1167

J. BRADLEY STREIT & CO.
Members The Toronto Stock Exchange
330 BAY ST. WA. 4831 TORONTO 24 KING ST. W. WA. 6090

THOMSON & Co.
STOCK BROKERS
Partners: M. A. Thomson, A. J. Davis, H. H. Rath, H. E. Murray
Members: Toronto Stock Exchange, Montreal Stock Exchange, Montreal Curb Market
Private Wires to All Offices
TORONTO NORANDA MONTREAL

Greenshields & Co Inc
Investment Dealers
507 Place d'Armes
Montreal
OTTAWA QUEBEC SHERBROOKE TORONTO

Greenshields & Co
Members Montreal Stock Exchange
Montreal Curb Market
507 Place d'Armes
Montreal
OTTAWA QUEBEC SHERBROOKE

Power Cut Revamps E. Sullivan Job As Plant Prepares for Production

By CLAUDE TAYLOR

The 10% power cut to northern Quebec mines is forcing East Sullivan Mines to revamp underground policy but it will have no effect on the 2,000-ton daily capacity concentrator starting this month at initial rate of 1,000 tons daily, The Financial Post understands.

Currently the compulsory power cuts have reduced supply from 1,500 hp to 1,300 hp but when the concentrator swings into operation approximately 4,500 hp of the original 5,000 hp required will flow into the property.

Concentration of around 1,000 tons of ore daily will provide about 60 tons of concentrates, or one carload daily, for shipment over the 68 mile rail route from the mine to the Noranda smelter. Gradual increase to the 2,000-ton capacity next year will double output for the smelter. In all probability sufficient power will be available by the time the plant hits capacity, but in the meantime the company is planning to cut down on underground machines to conserve power for milling.

Mine Manager L. T. Postle has concentrated development on the 150-, 300-, 450- and 650-ft. levels in the past few weeks to prepare the various levels for a steady source of mill feed. The main drift to the east on the 150-ft. level has been temporarily stopped while drill stations are established to carry out some routine work.

Drifting is under way in both the "A" and "B" ore bodies on the 300-ft. level. Slashing has been finished in the 402 east drift on the 450-ft. level and crews have been moved over to slash out box holes over drifts in the "A" ore body. The three raises are continuing from the 600-ft. level to 450-ft. level with the centre raise nearing completion as only two rounds were necessary, at last report, to carry the raise through to the 450.

The ore pass from the 750-ft. to the 600-ft. level has been drilled through and only some slashing is necessary to finish the program. Otherwise only limited development has been accomplished on the 750-ft. level to date. The crusher station has been completed below the 925-ft. level of the mine, but no development has been undertaken on the lower horizon.

Sufficient ore to keep the concentrator operating for several weeks has been assured as up to mid-November approximately 15,000 tons had been established on the surface dump. Ore grade is estimated to average 2.00% copper, .95% zinc, 0.19 oz. gold and 0.46 oz. silver.

Mine Manager Postle anticipates throwing the switch on the crushing plant sometime in the week of Dec. 20, and balance of the equipment a few days later. Some delays have been experienced through slow delivery of essential equipment, particularly in the electrical field. However, both the big transformers are expected to arrive at the property this week and the high voltage starters are scheduled to leave the Peterboro manufacturer before the week is out. Electric motors to drive the ball mills are expected to arrive almost daily. Manager Postle is hopeful that equipment will arrive and be installed to meet schedule.

Under the financing agreement with Noranda Mines that company has purchased $550,000 in 5% first mortgage 10 year sinking fund redeemable bonds. A total of 13,750 shares has been allotted to Noranda under purchase terms of the bonds, bringing outstanding capital to 4,013,750 shares. It is estimated that an additional $450,000 will be necessary from sale of bonds to Noranda before East Sullivan will be on a self-sustaining basis.

McDonough Flays Yellowknife Rates

From Our Own Correspondent

EDMONTON — Yellowknife Board of Trade was urged to take stronger action to have freight and passenger rates reduced to that area, by W. J. McDonough, Toronto, president of North Inca Gold Mines and vice-president of Bulldog Yellowknife Gold Mines.

Addressing the Board, McDonough lashed out at administration as well as transportation facilities of the northern mining district. He called on the Board to continue pressure for construction of a winter road from Hay River to Yellowknife.

McDonough said it cost $235 a ton to move freight by air 130 miles to the North Inca Mine, whereas the rate should not be more than $126. He said that the rates, set by the Federal Department of Transport "need drastic revision."

McDonough branded "grotesque" the 14c a gallon fuel oil rate charged by the Crown-owned Northern Transportation Co. for tanker barge haul from Norman Wells to Yellowknife, a distance of 675 marine miles.

Giant Output Best to Date

Bullion production of $41,540 at Giant Yellowknife Gold Mines in the first half of November exceeded entire output of any previous month, General Manager A. K. Muir states. Tonnage milled of 3,326 tons, an average of 222 tons daily, was below the recent average, due to a temporary shutdown for inspection.

Development results on the third level, particularly in the No. 1 ore shoot, are continuing satisfactory. A total of 1,020 tons hoisted to the mill from development averaged 1.28 oz. per ton in car sampling. The 308N drift provided 628 tons, averaging 1.80 oz. in car sampling. To Nov. 15 the drift averaged 1.77 oz. in face sampling and 1.80 oz. in car sampling for a length of 95 ft. The ore shoot shows an average width of 10 ft.

The southward projection of the No. 1 ore shoot on the third level was tested during the period by inclined upward holes from the 303W crosscut. The result of this work has raised the problem as to whether the ore shoot has a very steep rake from the north end of 204N drift to 308N drift, or whether the third level ore is a separate shoot in No. 1 zone. One hole cut 1-ft. of mineralization running 0.16 oz., another 0.5 ft. assaying 0.31 oz. and a third, 3 ft. of 0.53 oz. grade.

Adequate supply of electric power is expected to allow company to make a gradual increase in milling rate from the 222 tons a day in first half of November to capacity of between 500 and 600 tons daily.

Base Metals Realize Higher Oper. Profit

Net operating profit of Base Metals Mining Corp. established a new high of $71,000 in November, up from $56,809 in October. The marked improvement in earnings boosted the liquid position of the company which is now in the neighborhood of $450,000.

A total of 198 tons of lead concentrates and 492 tons of zinc concentrates were produced during November with four cars of lead concentrates and nine of zinc shipped to the smelter.

With ample labor supply now available daily milling rate is being increased with a view to securing maximum production during the period of high metal prices. Ore reserves are being maintained with enlarged underground development getting under way with the objective of operating the mill at its capacity of 7,500 tons monthly. High-grade ore has been developed in the Monarch mine latterly.

Coast Iron Co. Reopens Mine

Coast Iron Co. has been incorporated by Frith-Kershaw (Exports) (50%), Privateer Mine (35%) and associated parties (15%) to purchase and develop long dormant iron ore deposits at Upper Quinsam Lake, Campbell River watershed, Vancouver Isl., from Esquimalt & Nanaimo Railway Co.

The initial purpose of the operation is to produce highgrade ore from these deposits, which are described to contain magnetite ore averaging 60% iron of exceptional purity and low in sulphur and phosphorus, to fill orders already secured. The first orders being accepted are for an electric smelting plant going into production at Wenatchee, Wash., Secretary David S. Tait states. Mining operations, office control and accounting will be directed by the Privateer organization.

Working capital to develop the project is reported to have been provided by the financing interests and a crew has already been assembled with operations to proceed as fast as winter conditions permit. Frith-Kershaw (Exports) will act as sole marketing agents.

Officers and directors are: Harry N. Frith, president; John Kershaw, vice-president; David S. Tait, secretary; and Norman E. McConnell, general manager.

Quebec Gold Output Higher in 10 Months

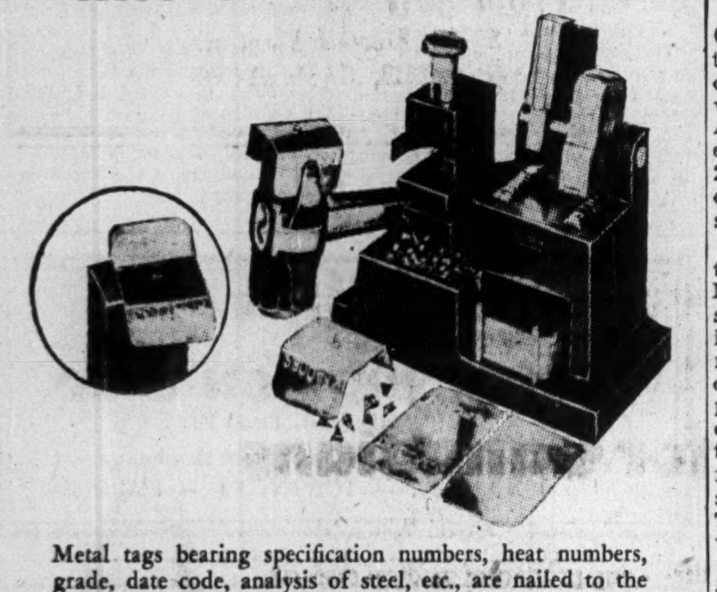
Quebec gold production at 66,727 oz. in October was up from 51,812 oz. in the same month last year, but down from the 68,386 oz. recovered from the mines in September, 1948. Output of 626,178 oz. in the first 10 months this year was up from the 508,904 oz. recovered in same period of 1947.

Silver production of 191,589 oz. in October compared with 137,783 oz. in same month last year. Output was 1,907,781 oz. in the first 10 months (1,744,715 same period of 1947).

HEVA GOLD MINES has received payment of $990 comprising 9,900 shares on account of Dec. 1 installment. Balance of the installment and each subsequent installment with Dunlo Investors have been extended for three months.

BARNARD'S SOLVE ANOTHER MARKING PROBLEM

"HOW TO NAIL IDENTIFICATION TAGS ON STEEL BILLETS"

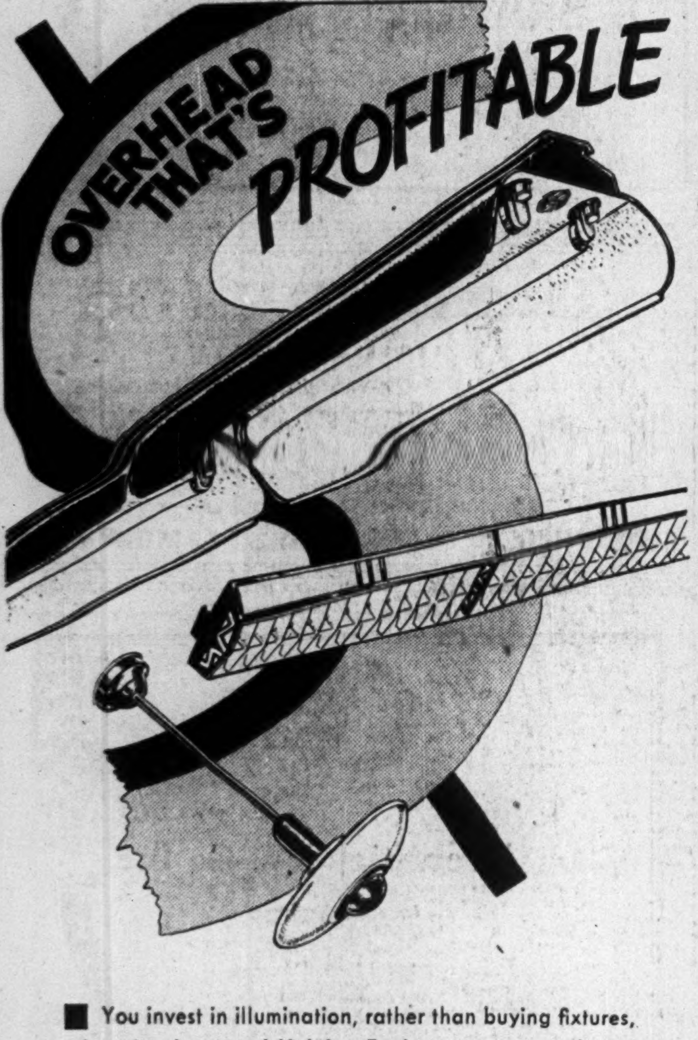


Metal tags bearing specification numbers, heat numbers, grade, date code, analysis of steel, etc., are nailed to the steel billets, slabs or ingots. This provides complete and permanent identification when the steel is stored in yards prior to rolling. The outfit consists of tags, embossing equipment and special nails and hammer.

Our business is built on the supplying of correct equipment for every type of marking and identification problem. Let us know your need and we'll supply full details.

YOUR MARKING PROBLEM MAY BE DIFFERENT BUT WE'RE SURE WE CAN GIVE YOU THE ANSWER

H. BARNARD STAMP & STENCIL CO. LTD.
8 GEORGE ST., HAMILTON, ONTARIO



You invest in illumination, rather than buying fixtures, when Amalgamated Lighting Engineers recommend your lighting system. With AE lighting overhead, (fluorescent or incandescent) many other types of overhead are eliminated. Gone is harmful glare, baffling shadows, work-slowing dimness. Result—increased efficiency in office and plant. Before you build or remodel, let Amalgamated Lighting Engineers tell you about "overhead that's profitable".

AMALGAMATED
ELECTRIC CORPORATION LIMITED
TORONTO AND MONTREAL

MARGISON AND BABCOCK
CONSULTING ENGINEERS • INDUSTRIAL DESIGNERS
TORONTO CANADA
PROCESS AND BUILDING DESIGN

Oil Leery? . . . or Oil-Wise?

Leery of oil investments through a lack of technical knowledge? Yet, you know that the big profits are being made today in guided purchase of oil stocks? Here's an education in oil "know-how":

"CAVALCADE OF CANADIAN OILS"

A technical book for the layman, a thorough resume of all phases of Canadian oil exploration and development. So popular was the original issue of this book that the publishers sold it directly to the public at $2.00 a copy. Through a special arrangement, we can offer it to you at a bargain price, a small amount compared to the profits "educated investment" in oils can bring.

The Key to "Know-How" in Oil Investment

YOU SEND NO MONEY—PAY THE POSTMAN
$1.00
ON RECEIPT

Offering limited to the number of copies we have on hand.

D. F. BRYANS & CO.
67 Yonge Street,
Toronto, Ont.

Member of the Broker-Dealers' Association of Ontario.

Gentlemen:

Please forward me a copy of Cavalcade of Canadian Oils. Upon receipt of the copy I will pay the postman one dollar.

Name ....

Address ....

....

F.P. 2

TALK to your family, relatives or friends... HEAR them as clearly as if they were beside you! You can send your voice and your personality over miles of space through the coast-to-coast facilities of Trans-Canada, the association of Canada's telephone systems. Every week, a young college girl in Montreal phones her parents in Vancouver... sending and receiving the news. She says: "I hardly feel as though I'm away—thanks to Long Distance." In planning visits and vacations... sending advice and congratulations... and for all personal emergencies... the Long Distance telephone fills an indispensable place in your daily life. Enjoy it! Phone Long Distance regularly, anywhere, anytime. Service is swift and inexpensive—you can call from Montreal to Vancouver for as low as $3.30.

TRANS-CANADA TELEPHONE SYSTEM

UNITED TO SERVE CANADA

MARITIME TELEGRAPH & TELEPHONE COMPANY LIMITED • THE NEW BRUNSWICK TELEPHONE COMPANY LIMITED • THE BELL TELEPHONE COMPANY OF CANADA
MANITOBA TELEPHONE SYSTEM • SASKATCHEWAN GOVERNMENT TELEPHONES • ALBERTA GOVERNMENT TELEPHONES • BRITISH COLUMBIA TELEPHONE COMPANY

Falconbridge Expects New McKim Mine To Be Tax Free For First 3½ Years

By GORDON M. GRANT

A far-reaching list of advantages appear likely to accrue to Falconbridge Nickel Mines in the opening of its new mine in McKim twp., Sudbury area, where a shaft has now reached its objective of 1,421 ft. Ore from the McKim probably won't be delivered to the Falconbridge concentrator and smelter until well on into 1949 except for development rock —crosscuts and drifts must be completed and stopes prepared—but it is already possible to see what the new mine can mean.

As an entirely new mining operation, the McKim mine will be tax-free for the first 3½ years of its productive career. It is expected to supply close to 500 tons of ore a day (almost 25% of the Falconbridge over-all requirements). It will ease the burden of filling production requirements for the main Falconbridge mine—and indirectly facilitate opening up of fine new footwall ore bodies there. It will increase ability to maintain concentrating and smelting operations at capacity, supplying required output for the refinery where capacity is currently being expanded by 40 to 50%. McKim ore runs higher in nickel and a little leaner in copper than Falconbridge ore. It is quite possible that treatment of McKim ore may mean a slightly higher dollar value of output.

Write-offs Big Factor

Write-offs for development and depreciation in 1948 have approximated 50% of expenditures on development and plant. Working capital has thus shown a reduction of only about $900,000 to $7.2 millions in the first nine months of 1948 with an actual $142,000 increase in working capital reported in the third quarter. Expansion of Norway refining facilities has been arranged by the company's Norwegian subsidiary so that a substantial over-all program is being completed — and dividends continued—without any undue strain on the strong forward financial position maintained in recent years.

Earnings for the three months ended Sept. 30, 1948, of $423,043 or 12.6 cents a share almost equalled earnings for the preceding six months (13.2 cents a share). While prospects for better earnings continue bright, September quarter results reflected chiefly abnormal liquidation of inventories of metals (rather than extra revenue from a higher nickel price); September quarter earnings could hardly be regarded as normal. The effect of the increase in the price of nickel, which works out at 4½ cents a lb. (after tax allowance), covered only a part of September quarter sales and a much greater benefit from this can be expected in the December quarter. While nickel jumped July 22, 1948, many customers were "protected" on purchase at the old price for about two months so that they could meet commitments. Wage rates were increased in August, so that the higher price received for nickel will be offset to some extent in the last quarter by increased costs. As pricing of inventories was changed to a "first in, first out" basis in the third quarter, increased costs will definitely be reflected in the last quarter.

Falconbridge operations were only affected by the power shortage last February. Installation of a Diesel electric unit is being undertaken to offset at least in part any future power shortage.

Altogether Falconbridge has ore reserves sufficient for nearly 20 years' operations. Over 40% of these reserves are in holdings outside the original mine. Reserves are exclusive of about a year's possible extra mill feed of marginal grade at the main Falconbridge mine. The McKim mine has substantial ore reserves indicated but is not as large an indicated mine as the Levack property. However, the McKim has been opened first as the more accessible of the two.

For years Falconbridge earnings have been the "linchpin" of the Ventures Ltd. organization and a major factor in the financing of innumerable other mining operations. Because Ventures Ltd. holds 2,444,540 of 3,347,507 issued Falconbridge shares, however, general interest in Falconbridge is not so widespread. But the indications of expanding operations and improving earnings power for this key company are of key importance to the mining industry.

NICKLE MAP SERVICE
Specializing in
CANADIAN OILFIELD MAPS
CALGARY CANADA

Ontario Gold Output Gains

Value of gold output from Ontario's 44 producing mines in October hit the highest level since October, 1943, due entirely to a sizeable increase in tonnage milled, figures released by the Department of Mines show. The grade of ore treated at $8.10 per oz. was the lowest since December, 1933.

Bullion production in October totaled $6,135,746 from treatment of 757,924 tons of ore ($5,283,662 from 617,836 tons in similar month last year). Output for the 44 mines amounts to $59,096,689 in the first 10 months of 1948, up 5.7% from the similar period of 1947.

Value of gold production and tonnage milled for the 44 Ontario mines during period January to September and month of October, 1948, follows:

District:	Tons milled	Value
PORCUPINE		
Jan. to Sept.	3,227,036	$26,081,767
October	380,545	3,009,423
Total	3,607,581	29,091,190
KIRKLAND LAKE		
Jan. to Sept.	1,683,010	16,398,426
October	224,351	1,943,758
Total	1,907,361	18,342,184
MATACHEWAN-SUDBURY		
Jan. to Sept.	432,969	1,814,983
October	54,846	257,626
Total	487,815	2,072,609
NORTHWESTERN ONTARIO†		
Jan. to Sept.	841,829	8,662,048
October	98,182	924,939
Total	940,011	9,586,987
MISCELLANEOUS		
Jan. to Sept.	......	8,719
TOTAL FOR ONTARIO		
Jan. to Sept.	6,184,844	52,960,943
October	757,924	6,132,027
GRAND TOTAL .	6,942,768	59,096,689

†Includes Thunder Bay, Kenora, and Patricia districts.

CITRALAM MALARTIC MINES has acquired an undivided 12½% interest in a petroleum and natural gas reservation which covers approximately 140,000 acres, the cost being an issue of 200,000 shares. By Dec. 1 agreement Dunlo Investors Ltd., Toronto, has underwritten 100,000 shares at six cents a share, payable forthwith. Upon issue of these 300,000 shares, issued capital will be 4,203,338, shares.

Steep Rock Sets Output Goal at 3 Million Tons

President D. M. Hogarth of Steep Rock Iron Mines has confirmed that the company is receiving an advance of $5 millions from the U. S. Export-Import Bank for the purpose of expanding iron mining operations.

"The financial arrangements completed by Steep Rock provide for the company's current requirements, and the immediate expansion plan designed to stabilize annual production on a minimum basis of three million tons, through open pit and underground development of 'A' and 'B' ore bodies," Mr. Hogarth declared.

"An examination of the arrangements referred to, details of which will be published soon, will indicate that Canadian industry is afforded adequate opportunity to convert Steep Rock ore into steel products of one kind and another."

The mine's organization is proceeding aggressively with the planned expension, program, he added.

Highest production to date was in 1947, when 1,206,246 tons of iron ore were shipped.

Plan More Work At New Thurbois

Plans are being formulated for a resumption of work by New Thurbois Mines in 1949 with the shaft to be extended a further two levels to permit the opening up of the F south zone at depth, The Financial Post is informed.

This zone has been indicated by diamond drilling to be approximately 500 ft. in depth averaging 0.28 oz. gold over 8 ft. A new north section on the F zone was intersected just prior to suspension of operations and it is expected that considerable length will be added to the F zone of better than the average of the present zone.

Reorganization of the old company has been completed on a one-for-four share exchange basis. There are now a million shares outstanding with a firm commitment on 450,000 shares calling for payment of $63,500. A total of 1,050,000 shares are under option at 17.5 to 35c a share.

President is now John W. Tovell, A. C. Cotton is vice-president and C. A. Colville secretary-treasurer. Other directors are J. F. Willis and Paul Robert.

Fight for Control Of Continental Oil

From Our Own Correspondent

CALGARY—A move to form a stockholders' protective committee to investigate affairs of Continental Oil Co. of Canada from its inception has been started by Strabo V. Claggett, New York, director and treasurer of the company, and Joseph S. Jackson, secretary and assistant treasurer.

Two letters have been sent to shareholders of Continental Oil explaining reasons for the action and enclosing a proxy form to be signed by the shareholders.

The proxy form is worded to give Claggett and Jackson authority to call a special stockholders' meeting to form a protective stockholders' committee and "to vote the shares in my name at such special meeting which may be held up to the end of February, 1949."

Claggett is president of Whitney-Phoenix Co., Inc., New York City, the concern behind the proposed $1,500,000 financing for Continental Oil, which was rejected by a meeting of shareholders held Nov. 5, while Jackson is a former Toronto financial man.

Nisto Mines Formed For Tobey Holdings

Nisto Mines is the new company formed by Transcontinental Resources and Nicholson Mines to operate the 25-sq.-mile Tobey concession at Black Lake, Sask. Development is expected to get under way next March when three crews will be placed on the ground to test the uranium-pitchblende showing.

Preliminary plans include the issuance of one million shares of treasury stock which will cover the cost of the property and leave $27,300 in the treasury. Several subsidiary companies eventually may be formed, Nisto having the right to take a minimum acreage of 10% of the entire concession if exploration results justify.

CHESKIRK MINES has received payment for Nov. 27 underwriting of $5,000, comprising 100,000 shares under agreement with Wedlake Interests. Issued capital is 3,070,005 shares.

OSC Points Out What Recognition Of Calgary Means

The Ontario Securities Commission has ruled that the Calgary Stock Exchange is now a recognized exchange within the meaning of the Ontario Securities Act but points out that a recently published statement (which did not appear in The Financial Post) with respect to this recognition is misleading.

In an official release, the OSC points out that the statement — "This means that the stocks traded on the Calgary Exchange may be traded in Ontario without filing any papers with the Ontario Commission" — is misleading in that the exemption from filing only applies to securities actually sold through the Calgary Exchange, and in no way affects the sale of securities outside the exchange, when filing and delivery of a prospectus is essential in order to meet requirements of the Ontario Securities Act.

Isle of Pines Will Mill Soon

Milling operations at an initial rate of 100 tons daily are expected to start within 10 days, Isle of Pines Mining Co. shareholders learned at the company's annual meeting. The property, on an island off Cuba, has been equipped with the mill formerly operated by Moneta Porcupine Gold Mines.

A further $120,000 is needed to complete financing, shareholders were told, and an offering of 300,000 shares to shareholders at 40 cents is under consideration. Any stock offered will be underwritten, it is stated.

There are stated to be bonds and cash on hand of $92,950 in excess of a Royal Bank loan as at Oct. 31, 1948, the bank requiring this balance in its favor, due to location of the mine.

Plans call for the mill to be maintained at a miling rate of 100 tons daily for the first year, until the main shaft is deepened to the 375-ft. level. It is then expected to boost the rate to between 250 and 300 tons daily. The annual meeting was adjourned until Dec. 14, when directors will be elected.

DOME MINES reports bullion production of $426,983 from treatment of 51,800 tons of ore averaging $8.24 gold per ton in November ($442,449 from 50,500 tons and $8.76 in October).

Matarrow Lead Drilling Shows Lead-Zinc Ore Occurrence

An extensive program of diamond drilling started by Matarrow Lead Mines the last week in November on its Matachewan, Ontario, property has been returning commercial-grade intersections of lead and zinc values, President John Pump reports. Two drills have been used to further explore the lead-zinc zone indicated by earlier drilling. In the preliminary drilling, nine holes were completed totalling 1,776 ft.

Average of the assays secured in 6 drill holes intersecting the main zone over a length of 800 ft. are reported by E. K. Fockler, consulting geologist, as 5.94% lead and 2.27% zinc over an average core length of 8.0 ft. or an estimated true width of 6.4 ft.; including surface sampling of the very limited exposures in several trenches, average is 5.72% lead and 2.74% zinc, over approximate true widths of 6.3 ft.

Under date of Oct. 21, 1948, E. K. Fockler summarizes results as follows:

"Commercially important tonnage possibilities are indicated by the results of the preliminary exploration recently completed. As a purely indicative estimate based on the limited amount of drilling performed to date, approximately 550 tons per vertical foot, grading conservatively 5½% lead and 2½% zinc, appears to be indicated on the explored portions of the occurrences down to the 150-ft. horizon."

The lead-zinc occurrences are stated to be found in fracture zones over a length of about 1,650 ft. in banded iron formation which has been traced for over a mile and may extend further under the capping of sedimentary rocks, it is pointed out.

The Matarrow property, located in Yarrow twp., Matachewan area, Ontario, consists of 26 claims plus 10 claims under option for $10,000, exercisable on or before Aug. 15, 1949. The total of 36 claims owned and under option comprise over 1,500 acres and straddle the projected strike of the favorable zone for over 2½ miles.

Authorized capital of the company is four million shares of which 1,333,333 shares were issued for 20 claims, 400,000 shares have been disposed of for $40,000, 1,300,000 shares are under option at prices of 20 to 50 cents per share, to yield a total of $500,000. Balance of over 960,000 treasury shares remain available for further financing.

The officers and directors of the company are John Pump, the prospector who staked the main showings, president; B. W. Lang, vice-president; R. A. Cranston, secretary-treasurer; C. A. Martin and J. C. Rogers.

A. E. OSLER & CO.
Established 1886
STOCK BROKERS and FINANCIAL AGENTS
MEMBERS THE TORONTO STOCK EXCHANGE
OSLER BUILDING, 11 Jordan St. (cor. Melinda) TORONTO
ADelaide 2431 Cable Address RELSO

MOSS, LAWSON & CO.
Members
The Toronto Stock Exchange • Calgary Stock Exchange
219 BAY ST. • TORONTO 1 • ELGIN 9281
FRANK G. LAWSON • WILLIAM J. KERR • DONALD M. M. ROSS • R. B. G. CLARKE

Hudson Bay Mining & Smelting Co., Limited
Producer of
COPPER, ZINC, GOLD, SILVER, CADMIUM, SELENIUM and TELLURIUM
Mine and Metallurgical Plants at
FLIN FLON, MANITOBA
Hydro Electric Plant at
ISLAND FALLS, SASKATCHEWAN

It's here, 1949 edition of
SURVEY OF MINES

Right now thousands of investors are eagerly thumbing their own copies of this big new 400-page investment book on the mines of Canada and Newfoundland.

The value is astonishing.

This book tells you what you need to know about the financial status, dividends, properties and personnel of base metal and gold producers.

Here too are 22 large pages of valuable maps showing principal mineral areas, also an 8-year tabulation of the price range of mining stocks, advertisements of leading brokers and equipment companies, statistics on mineral production and mineral prices, a list of milling plants in Canada.

All this you too can get for $2 a copy postpaid by using the coupon form below.

Coming February: Survey of Oils, 1949. Now being compiled from freshly gathered facts. Once more, this book is sure to be an early sellout. Get your reservation in now. Price $1 a copy postpaid.

TO THE FINANCIAL POST,
481 University Ave., TORONTO 2, Canada.
Please enter our order as follows:
.... Copies SURVEY OF MINES, 1949, @ $2
Now ready
.... Copies SURVEY OF OILS, 1949, @ $1
Ready February
We enclose $.... in payment
Company ....
Attention of ....
Street address .... Zone ....
City & Province SM-56

Poling ladle of Nickel in preparation for pouring F. Nickel shot which is used in making Nickel Cast Iron.

"The Romance of Nickel" a 60-page book fully illustrated, will be sent free on request to anyone interested.

Canadian Nickel

INCO

THE INTERNATIONAL NICKEL COMPANY OF CANADA, LIMITED, 25 KING STREET WEST, TORONTO

"a bit of London in Montreal"

NAYLOR ORIGINALS....

Not just another tie . . . Naylor Originals are distinguished cravats created for us from selected fabrics and patterns. No two are alike — each one is a masterpiece, a perfect Christmas gift.

from $4.50

If you cannot visit our store, send us your cheque in any amount. We will mail a Gift Certificate in your name to the person of your choosing, so that he may select his own.

Naylor's
Sherbrooke at Peel Street
MONTREAL

For Men only...

For men with ideas . . . and men without . . .
MORGAN'S has the right idea . . . a little shop that caters only to men and their unique male-type Christmas Shopping problems. Let us look after the lady on your list . . . we will select the suitable gift, gift wrap and send if desired.. Pay a visit . . .

It's ONLY FOR MEN . . . our HIM TO HER SHOP
SECOND FLOOR FRONT.

HENRY MORGAN & CO., LIMITED
The Store with the Christmas Spirit
Call Plateau 6261
MONTREAL

To . . .

The Men in Our Lives!

The Christmas rush is on—and we find our thoughts turning to those ever-faithful customers who make Evangeline their headquarters whenever the gift-choosing problem disturbs the tenor of their days.

First of all, we want this masculine clientele to know that we appreciate your patronage and thoroughly enjoy the opportunity of assisting you with your shopping. At the moment, our shops are full of lovely merchandise and the sooner you tackle the job of gift-buying the better.

So—if you are one of the men in our lives, or perchance, one who hasn't made our acquaintance as yet, we invite you to drop in to your nearest Evangeline to see our new and interesting collection of gifts both pretty and practical.

We're very sincere in our efforts—we'll do our utmost to help you choose the just-right gift for the lady-of-your-choice. We'll wrap your parcel for you —all ready for the Christmas tree. In short, we'll strive to give service you'll enjoy and help in selecting a gift that will make *her* happy, keep you happy and hold intact our bonds of friendship. Is it a date?

Evangeline
• 113 Yonge at Adelaide
• 751 Yonge at Bloor
• 1458 Yonge at St. Clair
• 3414 Yonge at City Limits
• 444 Eglinton W. at Castleknock
• 656 Danforth at Pape
• 62A Bloor at Bay

OTTAWA • BROCKVILLE • LONDON • HAMILTON • GUELPH • ST. CATHARINES

LONDON CALLING—*By Adelphi*

Trans-Ocean Strike Latest Conscription Splits Labor

LONDON — The news of the King's illness and the cancellation of his Australian tour came as a complete shock to the nation. His Majesty has always looked so fit, and has so successfully retained the figure of a young man that it never occurred to any of us that he was not in robust health. Already people are wondering if he will be able to do his Christmas broadcast this year. If he does, there will be a special poignancy added to what is in itself a moving and emotional event.

There is a special sorrow that the announcement should have come so soon after the arrival of his grandson. It broke into the festivities and replaced rejoicing with misgiving.

* * *

Tough to Passengers But Not to Strikers

The Cunard Company has lost a lot of friends and a lot of money over the strike of a section of the Queen Elizabeth's crew. As the liner could not sail, the captain eventually served what was virtually an eviction order to passengers who refused to leave the ship. Perhaps there was no alternative; but the aggrieved passengers are asking why such firmness should be shown toward them, and such leniency toward the strikers.

In fact, the whole incident raises an important issue. The 400 members of the crew who walked off the ship had no quarrel with the company. Nor were they involved in any way in any dispute in Britain. But they refused to act as strike breakers against their American comrades at the New York docks.

* * *

This raises an interesting vista which should be studied in every country. If there should be a strike of reporters in Canada, then should British reporters refuse to write anything for fear the British newspapers might reach Canada and help to break the strike there? Should British chemist assistants refuse to handle cod-liver oil if there's a strike of fishermen in Alaska? Should the workers in Britain's motor-car industry down tools if American workers do so.

The British public is fighting mad about it, and the Cunard Company is feeling the draft of disapproval.

* * *

Bribery Probe Brings Sensations

However, there is the drawn-out bribery enquiry to distract our minds. The most astonishing feature of the enquiry so far is that the central figure of the name Stanley, entertained lavishly, gave costly presents, had control of big sums.

Stanley is reported to have entertained people on the most lavish scale, while chivalrously offering to solve any problems they had with government departments. So far there is no evidence that he ever succeeded in doing so. Nevertheless he certainly maintained close personal and social contact with at least one Minister of the Crown.

The whole thing is very hard on the Socialist Government which acted swiftly and honorably in placing the matter in the hands of the authorities. Not only that, the chief inquisitor at the enquiry is the Attorney-General, Sir Hartley Shawcross, who is utterly relentless in his quest for the truth, hidden among a thousand lies. Nevertheless, the 99 must always suffer for the one black sheep. Thus there are unfair canards circulating among the pubs and in the clubs to the effect that this is the best Government you can buy for money, etc. That wit, bad in taste as in fact, is going to do a lot of harm to the Socialists.

Eire Both In, Out Of Commonwealth?

Premier Attlee informed the House of Commons that Eire is to be a Republic and will, therefore, owe no allegiance to the Crown but that, having thus included itself out of the Commonwealth, it will now exclude itself in. That is not exactly how Mr. Attlee put it but that is what he meant. Winston Churchill, who is in great spirits and splendid voice these days, let out a mighty roar and demanded an early debate. For some reason Willie Gallacher, the Scottish Communist, explained to the House that there was no such thing as the Government of Southern Ireland; only the Government of Eire. The House received this historical enlightenment with a deep calm.

* * *

Defense Minister Alexander introduced a year ago a bill under which all males, when they reach military age, must undergo 18 months' compulsory training. The Socialist back benchers rebelled and Mr. Alexander reduced the period to a year. This week he put it back to 18 months again. What is more, he announced that trainees could be sent for "garrison duty" anywhere abroad. If for "garrison duty" you read "trouble centres" you will get the idea. Some 30 Socialist M.P.'s have started another rebellion but the Tories will support the Government.

* * *

In the meantime everyone is touched, and rightly so, by the courtesy and helpfulness of the Russians in connection with a British air lift pilot who crashed in the Russian Zone of Berlin. All restrictions were waived to allow his wife to reach him, and everything possible was done by the Russian doctors to save his life — but in vain.

It is good that this touch of humanity should make us kin; yet as an historical indictment we should remember that this pilot was in effect sentenced to death by the Soviet which closed the roads and railways against us. He never would have made the flight that cost him his life, except for that.

IDB Loans Up During October

MONTREAL (Staff) — Industrial Development Bank loans and investments rose $450,000 in October, to $17,986,946. Comparative statements follow:

	1948 Oct.	1948 Sept.
Assets	$	$
Cash on hand, deposits with other bks.	29,944	33,422
Dom. Govt. secs.	7,870,671	8,224,414
Loans & invests.	17,986,946	17,535,919
All other assets	3,349,246	3,377,534
	29,236,807	29,171,289
Liabilities		
Capital paid-up	25,000,000	25,000,000
Reserve fund	749,241	749,241
Reserve for losses	200,000	200,000
All other liabs.	3,287,566	3,222,048
	29,236,807	29,171,289

TOWN OF ASBESTOS, county of Richmond, Que., School Commission has sold $105,000 3% bonds due Oct. 1, 1949-58 and $105,000 3½% bonds due 1959-68 to Paul Gonthier & Co. Ltd. Price was 97.56 at net cost to commission of 3.649%. Commission has no other long-term debt. Town population 8,500.

BELL TELEPHONE CO. OF CANADA has issued a further 6,204 shares of capital stock under the employees' stock plan, leaving 5,124,332 shares outstanding as at Nov. 29, 1948.

All of these Bonds having been sold, this advertisement appears as a matter of record only.

New Issue

$2,500,000

Southern Canada Power Company
Limited
(Incorporated under the laws of the Dominion of Canada)

3½% FIRST MORTGAGE BONDS
Series "C"

To be dated December 1, 1948 — To mature July 2, 1976

Trustee: Montreal Trust Company

In the opinion of Counsel, these Bonds will be investments in which, pursuant to The Canadian and British Insurance Companies Act, 1932 (Dominion) as amended, companies registered under said Act may invest their funds.

We offered, as principals, the 3½% First Mortgage Bonds, Series "C", if, as and when issued and received by us, and subject to the approval of all legal matters on behalf of the Company by E. R. Parkins, K.C., who will also act as our Counsel.

PRICE: 101.35 and accrued interest, to yield about 3.42%

It is expected that Bonds in interim or definitive form will be available for delivery on or about December 1, 1948.

A Prospectus, a copy of which has been filed with the Secretary of State of Canada in accordance with the provisions of The Companies Act, 1934, will be promptly furnished upon request.

NESBITT, THOMSON & COMPANY
LIMITED
38 King Street West, Toronto

LEADERSHIP IN CREATIVE ENGINEERING STILL FURTHER ENHANCED

CREATIVE ENGINEERING IMPROVEMENTS . . . not changed appearance . . . feature the new White WC Series of Super Power Trucks and Tractors. Compare prices. See how much more you get from an investment in White Super Power.

White

Better performance on hills and in traffic . . . saves valuable trip time! Still better fuel economy! Still lower maintenance costs! Even longer life!

See your local White Representative for the Correct Application of a new Super Power White to your business. Begin to profit from the extra dividends of an investment in Quality . . . and the low maintenance costs assured by White Personalized Service.

THE WHITE MOTOR COMPANY OF CANADA LIMITED
Factory in Montreal
Branches MONTREAL • TORONTO • HAMILTON • WINNIPEG • CALGARY • VANCOUVER
Sales and Service Centres from Coast to Coast

FOR MORE THAN 45 YEARS THE GREATEST NAME IN TRUCKS